

By: Senator(s) Blackwell, Barnett, Butler
(36th), Butler (38th), DeLano, Hickman,
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To: Public Health and
Welfare

SENATE BILL NO. 2095
(As Sent to Governor)

1 AN ACT TO ENACT THE MISSISSIPPI MEDICAL CANNABIS ACT; TO
2 AUTHORIZE MEDICAL CANNABIS USE BY CERTAIN PATIENTS WHO HAVE
3 DEBILITATING MEDICAL CONDITIONS; TO REQUIRE A PATIENT TO RECEIVE A
4 WRITTEN CERTIFICATION FROM A QUALIFIED PRACTITIONER TO QUALIFY FOR
5 A REGISTRY IDENTIFICATION CARD FOR THE USE OF MEDICAL CANNABIS; TO
6 PROVIDE FOR THE PROCESS BY WHICH A PATIENT MAY REGISTER AS A
7 CARDHOLDER FOR THE USE OF MEDICAL CANNABIS; TO PROVIDE CERTAIN
8 PROTECTIONS TO PATIENTS, CAREGIVERS, MEDICAL PROVIDERS AND MEDICAL
9 CANNABIS ESTABLISHMENTS FOR THE MEDICAL USE OF CANNABIS; TO
10 PROVIDE FOR THE ALLOWABLE AMOUNT OF MEDICAL CANNABIS BY A
11 QUALIFIED PATIENT; TO PROVIDE THAT THE STATE DEPARTMENT OF HEALTH
12 WILL ISSUE REGISTRY IDENTIFICATION CARDS TO QUALIFYING PATIENTS
13 AND REGISTRATIONS TO QUALIFYING FACILITIES; TO ALLOW FOR A
14 DEDUCTION FROM INCOME TAXES FOR ALL OF THE ORDINARY AND NECESSARY
15 EXPENSES PAID OR INCURRED DURING THE TAXABLE YEAR IN CARRYING ON A
16 BUSINESS AS A MEDICAL CANNABIS ESTABLISHMENT; TO PROVIDE THAT THE
17 MISSISSIPPI DEPARTMENT OF HEALTH SHALL HAVE THE ULTIMATE AUTHORITY
18 FOR OVERSIGHT OF THE ADMINISTRATION OF THE MEDICAL CANNABIS
19 PROGRAM; TO REQUIRE THE DEPARTMENT OF HEALTH TO LICENSE CANNABIS
20 CULTIVATION FACILITIES, CANNABIS PROCESSING FACILITIES, CANNABIS
21 TRANSPORTATION ENTITIES, CANNABIS DISPOSAL ENTITIES, CANNABIS
22 TESTING FACILITIES AND CANNABIS RESEARCH FACILITIES; TO REQUIRE
23 THE DEPARTMENT OF REVENUE TO LICENSE MEDICAL CANNABIS
24 DISPENSARIES; TO REQUIRE THE DEPARTMENT OF HEALTH TO REGISTER
25 QUALIFIED PRACTITIONERS AND GRANT REGISTRY IDENTIFICATION CARDS TO
26 QUALIFIED PATIENTS AND DESIGNATED CAREGIVERS; TO PROVIDE FOR A
27 STATEWIDE SEED-TO-SALE TRACKING SYSTEM; TO PROVIDE FOR DEADLINES
28 FOR THE IMPLEMENTATION OF THE PROGRAM; TO PROVIDE FOR CERTAIN
29 LIMITATIONS OF THE APPLICATION OF THE ACT; TO PROVIDE THAT THE ACT
30 DOES NOT AUTHORIZE ANY INDIVIDUAL TO ENGAGE IN NOR PREVENT THE
31 IMPOSITION OF ANY CIVIL, CRIMINAL OR OTHER PENALTIES FOR CERTAIN
32 ACTS RELATED TO THE USE OF MEDICAL CANNABIS; TO PROVIDE THAT
33 CERTAIN DISCRIMINATORY ACTS AGAINST MEDICAL CANNABIS CARDHOLDERS
34 ARE PROHIBITED; TO PROVIDE FOR PROCESS OF THE ADDITION OF



DEBILITATING MEDICAL CONDITIONS BY THE DEPARTMENT OF HEALTH; TO PROVIDE THAT NOTHING IN THE ACT PROHIBITS AN EMPLOYER FROM DISCIPLINING AN EMPLOYEE FOR INGESTING MEDICAL CANNABIS IN THE WORKPLACE OR FOR WORKING WHILE UNDER THE INFLUENCE OF MEDICAL CANNABIS; TO PROVIDE THAT NOTHING IN THE ACT REQUIRES A GOVERNMENT MEDICAL ASSISTANCE PROGRAM OR PRIVATE INSURER TO REIMBURSE A PERSON FOR COSTS ASSOCIATED WITH THE MEDICAL USE OF MEDICAL CANNABIS; TO REQUIRE THE DEPARTMENT OF HEALTH AND THE DEPARTMENT OF REVENUE TO PROVIDE ANNUAL REPORTS TO THE GOVERNOR AND CERTAIN MEMBERS OF THE LEGISLATURE; TO REQUIRE THE DEPARTMENT OF HEALTH TO MAINTAIN A CONFIDENTIAL LIST OF REGISTRY IDENTIFICATION CARDS; TO REQUIRE CERTAIN NOTIFICATIONS FROM QUALIFYING PATIENTS; TO PROVIDE FOR THE FEES FOR LICENSES OF MEDICAL CANNABIS ESTABLISHMENTS; TO ALLOW MUNICIPALITIES AND COUNTIES TO ENACT ORDINANCES OR REGULATIONS NOT IN CONFLICT WITH THE ACT; TO PROHIBIT MEDICAL CANNABIS ESTABLISHMENTS FROM BEING LOCATED WITHIN 1,000 FEET OF THE NEAREST BOUNDARY LINE OF ANY SCHOOL, CHURCH OR CHILD CARE FACILITY UNLESS IT HAS RECEIVED A WAIVER; TO PROVIDE CERTAIN REQUIREMENTS, PROHIBITIONS AND PENALTIES FOR MEDICAL CANNABIS ESTABLISHMENTS; TO PROVIDE THAT NO MEDICAL CANNABIS ESTABLISHMENT SHALL SELL CANNABIS FLOWER OR TRIM THAT HAS A POTENCY OF GREATER THAN 30% TOTAL THC; TO REQUIRE ALL MEDICAL CANNABIS PRODUCTS TO CONTAIN A NOTICE OF HARM REGARDING THE USE OF MEDICAL CANNABIS; TO PROVIDE FOR THE WEEKLY AND MONTHLY ALLOWABLE AMOUNT OF MEDICAL CANNABIS; TO PROVIDE THE POSSESSION LIMIT OF MEDICAL CANNABIS FOR RESIDENT AND NONRESIDENT CARDHOLDERS; TO REQUIRE THE DEPARTMENT OF HEALTH AND THE DEPARTMENT OF REVENUE TO ESTABLISH AND PROMULGATE RULES AND REGULATIONS RELATING TO THE PROGRAM; TO ESTABLISH VIOLATIONS RELATED TO THE USE OF MEDICAL CANNABIS AND THE PROGRAM; TO PROVIDE FOR FINES, SUSPENSIONS AND REVOCATIONS FOR VIOLATIONS OF THE ACT; TO PROVIDE THAT BANKS SHALL NOT BE HELD LIABLE FOR PROVIDING FINANCIAL SERVICES TO A MEDICAL CANNABIS ESTABLISHMENT; TO IMPOSE AN EXCISE TAX ON MEDICAL CANNABIS CULTIVATION FACILITIES AT A RATE OF 5% OF THE SALE PRICE OF CANNABIS TRIM OR CANNABIS FLOWER; TO REQUIRE DISPENSARIES TO COLLECT AND REMIT THE SALES TAX LEVIED IN SECTION 27-65-17(1)(a) FROM THE GROSS PROCEEDS OF EACH SALE OF MEDICAL CANNABIS; TO ALLOW THE GOVERNING AUTHORITIES OF MUNICIPALITIES AND BOARD OF SUPERVISORS OF COUNTIES TO OPT OUT OF ALLOWING THE PROCESSING, SALE AND DISTRIBUTION OF MEDICAL CANNABIS WITHIN 90 DAYS AFTER THE EFFECTIVE DATE OF THE ACT; TO PROVIDE FOR THE REFERENDUM PROCESS FOR A MUNICIPALITY OR COUNTY TO OPT INTO ALLOWING THE CULTIVATION, PROCESSING, SALE AND DISTRIBUTION OF MEDICAL CANNABIS IN A MUNICIPALITY OR COUNTY THAT HAS OPTED OUT; TO PROVIDE FOR THE JUDICIAL REVIEW FOR THOSE AGGRIEVED BY A FINAL DECISION OR ORDER RELATED TO THE MEDICAL CANNABIS PROGRAM; TO REQUIRE ALL FINES AND FEES COLLECTED BY THE DEPARTMENT OF HEALTH AND DEPARTMENT OF REVENUE TO BE DEPOSITED INTO THE STATE GENERAL FUND; TO ESTABLISH A MEDICAL CANNABIS ADVISORY COMMITTEE; TO AMEND SECTION 25-53-5, MISSISSIPPI CODE OF 1972, TO TEMPORARILY EXEMPT ACQUISITIONS OF INFORMATION TECHNOLOGY EQUIPMENT AND SERVICES MADE BY THE MISSISSIPPI DEPARTMENT OF HEALTH AND THE MISSISSIPPI



86 DEPARTMENT OF REVENUE FOR THE PURPOSES OF IMPLEMENTING,
87 ADMINISTERING AND ENFORCING THE PROVISIONS OF THE MISSISSIPPI
88 MEDICAL CANNABIS ACT, FROM MISSISSIPPI DEPARTMENT OF INFORMATION
89 TECHNOLOGY SERVICES PROCUREMENT LAWS, RULES, AND REGULATIONS; TO
90 AMEND SECTION 27-104-203, MISSISSIPPI CODE OF 1972, TO AUTHORIZE
91 GRANTS, CONTRACTS, PASS-THROUGH FUNDS, PROJECT FEES OR CHARGES FOR
92 SERVICES BETWEEN THE STATE DEPARTMENT OF HEALTH, STATE DEPARTMENT
93 OF REVENUE, AND OTHER STATE AGENCIES OR ENTITIES FOR THE OPERATION
94 OF THE MEDICAL MARIJUANA PROGRAM ESTABLISHED UNDER THIS ACT; TO
95 AMEND SECTION 37-11-29, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT
96 THE TERM CONTROLLED SUBSTANCE SHALL NOT INCLUDE THE POSSESSION OR
97 USE OF MEDICAL CANNABIS THAT IS LAWFUL UNDER THIS ACT; TO AMEND
98 SECTIONS 27-7-17, 27-65-111, 33-13-520, 41-29-125, 41-29-127,
99 41-29-136, 41-29-137, 41-29-139; 41-29-141, 41-29-143, 43-21-301,
100 43-21-303, 45-9-101, 59-23-7, 63-11-30, 71-3-7, 71-3-121,
101 73-15-29, 73-19-23, 73-21-127, 73-25-29 AND 83-9-22, MISSISSIPPI
102 CODE OF 1972, TO CONFORM TO THE PROVISIONS OF THIS ACT; TO BRING
103 FORWARD SECTIONS 17-1-3, 19-5-9, 25-43-1.103, 25-43-2.101,
104 25-43-3.102, 25-43-3.103, 25-43-3.104, 25-43-3.105, 25-43-3.106,
105 25-43-3.107, 25-43-3.109, 25-43-3.110 AND 25-43-3.113, MISSISSIPPI
106 CODE OF 1972, WHICH ARE SECTIONS OF THE MISSISSIPPI ADMINISTRATIVE
107 PROCEDURES LAW AND THE PROVISIONS RELATING TO THE ADOPTION OF
108 BUILDING CODES IN COUNTIES, FOR THE PURPOSES OF POSSIBLE
109 AMENDMENT; TO AMEND SECTION 25-43-3.108, MISSISSIPPI CODE OF 1972,
110 TO MAKE SOME MINOR NONSUBSTANTIVE CHANGES; TO BRING FORWARD
111 SECTION 41-3-15, MISSISSIPPI CODE OF 1972, WHICH PROVIDES FOR
112 POWERS AND DUTIES OF THE STATE BOARD OF HEALTH, FOR THE PURPOSES
113 OF POSSIBLE AMENDMENT; TO AMEND SECTIONS 27-7-22.5 AND 27-7-22.30,
114 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT MEDICAL CANNABIS
115 ESTABLISHMENTS ARE NOT ELIGIBLE FOR CERTAIN INCOME TAX CREDITS
116 AUTHORIZED BY SUCH SECTIONS; TO AMEND SECTIONS 27-31-51 AND
117 27-31-53, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT PERSONAL
118 PROPERTY OF MEDICAL CANNABIS ESTABLISHMENTS IS NOT ELIGIBLE FOR
119 FREEPORT WAREHOUSE AD VALOREM TAX EXEMPTIONS; TO AMEND SECTIONS
120 27-31-101 AND 27-31-104, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT
121 COUNTY BOARDS OF SUPERVISORS AND MUNICIPAL AUTHORITIES CANNOT
122 GRANT CERTAIN AD VALOREM TAX EXEMPTIONS FOR MEDICAL CANNABIS
123 ESTABLISHMENTS OR ENTER INTO FEE-IN-LIEU OF AD VALOREM TAX
124 AGREEMENTS WITH MEDICAL CANNABIS ESTABLISHMENTS; TO AMEND SECTION
125 27-65-17, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT MEDICAL
126 CANNABIS ESTABLISHMENTS ARE NOT CONSIDERED TO BE TECHNOLOGY
127 INTENSIVE ENTERPRISES FOR PURPOSES OF THE REDUCED SALES TAX RATE
128 AUTHORIZED FOR SALES OF MACHINERY AND MACHINE PARTS TO TECHNOLOGY
129 INTENSIVE ENTERPRISES; TO AMEND SECTION 27-65-101, MISSISSIPPI
130 CODE OF 1972, TO PROVIDE THAT CERTAIN INDUSTRIAL SALES TAX
131 EXEMPTIONS DO NOT APPLY TO SALES TO MEDICAL CANNABIS
132 ESTABLISHMENTS; TO AMEND SECTION 37-148-3, MISSISSIPPI CODE OF
133 1972, TO EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE
134 DEFINITION OF THE TERM "INVESTOR" UNDER THE STRENGTHENING
135 MISSISSIPPI ACADEMIC RESEARCH THROUGH BUSINESS ACT; TO AMEND
136 SECTION 57-1-16, MISSISSIPPI CODE OF 1972, TO EXCLUDE MEDICAL



CANNABIS ESTABLISHMENTS FROM THE DEFINITION OF THE TERM
"EXTRAORDINARY ECONOMIC DEVELOPMENT OPPORTUNITY" FOR PURPOSES OF
THE ACE FUND; TO AMEND SECTION 57-1-221, MISSISSIPPI CODE OF 1972,
TO EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE DEFINITION OF
THE TERM "PROJECT" FOR PURPOSES OF THE MISSISSIPPI INDUSTRY
INCENTIVE FINANCING REVOLVING FUND; TO AMEND SECTION 57-10-401,
MISSISSIPPI CODE OF 1972, TO EXCLUDE MEDICAL CANNABIS
ESTABLISHMENTS FROM THE DEFINITION OF THE TERM "ELIGIBLE COMPANY"
FOR PURPOSES OF THE SECTIONS OF LAW THAT PROVIDE FOR THE ISSUANCE
OF BONDS BY THE MISSISSIPPI BUSINESS FINANCE CORPORATION TO
FINANCE ECONOMIC DEVELOPMENT PROJECTS IN ORDER TO INDUCE THE
LOCATION OR EXPANSION OF CERTAIN BUSINESSES WITHIN THIS STATE; TO
AMEND SECTION 57-61-5, MISSISSIPPI CODE OF 1972, TO EXCLUDE
MEDICAL CANNABIS ESTABLISHMENTS FROM THE DEFINITION OF THE TERM
"PRIVATE COMPANY" UNDER THE MISSISSIPPI BUSINESS INVESTMENT ACT;
TO AMEND SECTION 57-62-5, MISSISSIPPI CODE OF 1972, TO EXCLUDE
MEDICAL CANNABIS ESTABLISHMENTS FROM THE DEFINITION OF THE TERM
"QUALIFIED BUSINESS OR INDUSTRY" UNDER THE MISSISSIPPI ADVANTAGE
JOBS ACT; TO AMEND SECTION 57-69-3, MISSISSIPPI CODE OF 1972, TO
EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE DEFINITION OF THE
TERMS "MINORITY BUSINESS ENTERPRISE" AND "MINORITY BUSINESS
ENTERPRISE SUPPLIER" UNDER THE MISSISSIPPI MINORITY BUSINESS
ENTERPRISE ACT; TO AMEND SECTION 57-71-5, MISSISSIPPI CODE OF
1972, TO EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE
DEFINITION OF PRIVATE COMPANY; TO AMEND SECTION 57-73-21,
MISSISSIPPI CODE OF 1972, TO PROVIDE THAT MEDICAL CANNABIS
ESTABLISHMENTS ARE NOT ELIGIBLE FOR CERTAIN INCOME TAX CREDITS
AUTHORIZED BY SUCH SECTION; TO AMEND SECTION 57-80-5, MISSISSIPPI
CODE OF 1972, TO EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE
DEFINITION OF THE TERM "BUSINESS ENTERPRISE" UNDER THE GROWTH AND
PROSPERITY ACT; TO AMEND SECTION 57-85-5, MISSISSIPPI CODE OF
1972, TO EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE
DEFINITION OF THE TERMS "PROJECT" AND "RURAL BUSINESS" UNDER THE
MISSISSIPPI RURAL IMPACT ACT; TO AMEND SECTION 57-91-5,
MISSISSIPPI CODE OF 1972, TO EXCLUDE MEDICAL CANNABIS
ESTABLISHMENTS FROM THE DEFINITION OF THE TERM "BUSINESS
ENTERPRISE" UNDER THE ECONOMIC REDEVELOPMENT ACT; TO AMEND SECTION
57-117-3, MISSISSIPPI CODE OF 1972, TO EXCLUDE MEDICAL CANNABIS
ESTABLISHMENTS FROM THE DEFINITION OF THE TERMS "HEALTH CARE
INDUSTRY FACILITY" AND "QUALIFIED BUSINESS" UNDER THE MISSISSIPPI
HEALTH CARE INDUSTRY ZONE ACT; TO AMEND SECTION 57-119-11,
MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE MISSISSIPPI
DEVELOPMENT AUTHORITY SHALL NOT PROVIDE FINANCIAL ASSISTANCE FROM
THE GULF COAST RESTORATION FUND FOR PROJECTS THAT ARE MEDICAL
CANNABIS ESTABLISHMENTS OR PROJECTS RELATED TO MEDICAL CANNABIS
ESTABLISHMENTS; TO AMEND SECTION 65-4-5, MISSISSIPPI CODE OF 1972,
TO EXCLUDE MEDICAL CANNABIS ESTABLISHMENTS FROM THE DEFINITION OF
THE TERMS "HIGH ECONOMIC BENEFIT PROJECT" AND "PRIVATE COMPANY"
UNDER THE ECONOMIC DEVELOPMENT HIGHWAY ACT; TO AMEND SECTIONS
69-2-11 AND 69-2-13, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE
MISSISSIPPI DEVELOPMENT AUTHORITY SHALL NOT PROVIDE FINANCIAL



ASSISTANCE TO MEDICAL CANNABIS ESTABLISHMENTS UNDER THE
MISSISSIPPI FARM REFORM ACT OF 1987; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Title. This chapter shall be known and may be
cited as the "Mississippi Medical Cannabis Act."

SECTION 2. Definitions. For purposes of this chapter,
unless the context requires otherwise, the following terms shall
have the meanings ascribed herein:

(a) "Allowable amount of medical cannabis" means an
amount not to exceed the maximum amount of Mississippi Medical
Cannabis Equivalency Units ("MMCEU").

(b) "Bona fide practitioner-patient relationship"
means:

(i) A practitioner and patient have a treatment or
consulting relationship, during the course of which the
practitioner, within his or her scope of practice, has completed
an in-person assessment of the patient's medical history and
current mental health and medical condition and has documented
their certification in the patient's medical file;

(ii) The practitioner has consulted in person with
the patient with respect to the patient's debilitating medical
condition; and

(iii) The practitioner is available to or offers
to provide follow-up care and treatment to the patient.

(c) "Cannabis" means all parts of the plant of the
genus cannabis, the flower, the seeds thereof, the resin extracted



from any part of the plant and every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or its resin, including whole plant extracts. Such term shall not mean cannabis-derived drug products approved by the federal Food and Drug Administration under Section 505 of the Federal Food, Drug, and Cosmetic Act.

(d) "Cannabis cultivation facility" means a business entity licensed and registered by the Mississippi Department of Health that acquires, grows, cultivates and harvests medical cannabis in an indoor, enclosed, locked and secure area.

(e) "Cannabis disposal entity" means a business licensed and registered by the Mississippi Department of Health that is involved in the commercial disposal or destruction of medical cannabis.

(f) "Cannabis processing facility" means a business entity that is licensed and registered by the Mississippi Department of Health that:

(i) Acquires or intends to acquire cannabis from a cannabis cultivation facility;

(ii) Possesses cannabis with the intent to manufacture a cannabis product;

(iii) Manufactures or intends to manufacture a cannabis product from unprocessed cannabis or a cannabis extract; and



(iv) Sells or intends to sell a cannabis product to a medical cannabis dispensary, cannabis testing facility or cannabis research facility.

(g) "Cannabis products" means cannabis flower, concentrated cannabis, cannabis extracts and products that are infused with cannabis or an extract thereof and are intended for use or consumption by humans. The term includes, without limitation, edible cannabis products, beverages, topical products, ointments, oils, tinctures and suppositories that contain tetrahydrocannabinol (THC) and/or cannabidiol (CBD) except those products excluded from control under Sections 41-29-113 and 41-29-136.

(h) "Cannabis research facility" or "research facility" means a research facility at any university or college in this state or an independent entity licensed and registered by the Mississippi Department of Health pursuant to this chapter that acquires cannabis from cannabis cultivation facilities and cannabis processing facilities in order to research cannabis, develop best practices for specific medical conditions, develop medicines and provide commercial access for medical use.

(i) "Cannabis testing facility" or "testing facility" means an independent entity licensed and registered by the Mississippi Department of Health that analyzes the safety and potency of cannabis.



(j) "Cannabis transportation entity" means an independent entity licensed and registered by the Mississippi Department of Health that is involved in the commercial transportation of medical cannabis.

(k) "Canopy" means the total surface area within a cultivation area that is dedicated to the cultivation of flowering cannabis plants. The surface area of the plant canopy must be calculated in square feet and measured and must include all of the area within the boundaries where the cultivation of the flowering cannabis plants occurs. If the surface area of the plant canopy consists of noncontiguous areas, each component area must be separated by identifiable boundaries. If a tiered or shelving system is used in the cultivation area the surface area of each tier or shelf must be included in calculating the area of the plant canopy. Calculation of the area of the plant canopy may not include the areas within the cultivation area that are used to cultivate immature cannabis plants and seedlings, prior to flowering, and that are not used at any time to cultivate mature cannabis plants.

(l) "Cardholder" means a registered qualifying patient or a registered designated caregiver who has been issued and possesses a valid registry identification card.

(m) "Chronic pain" means a pain state in which the cause of the pain cannot be removed or otherwise treated, and which in the generally accepted course of medical practice, no



287 relief or cure of the cause of the pain is possible, or none has
288 been found after reasonable efforts by a practitioner.

289 (n) "Concentrate" means a substance obtained by
290 separating cannabinoids from cannabis by:

291 (i) A mechanical extraction process;

292 (ii) A chemical extraction process using a
293 nonhydrocarbon-based or other solvent, such as water, vegetable
294 glycerin, vegetable oils, animal fats, food-grade ethanol or steam
295 distillation; or

296 (iii) A chemical extraction process using the
297 hydrocarbon-based solvent carbon dioxide, provided that the
298 process does not involve the use of high heat or pressure.

299 (o) "Debilitating medical condition" means:

300 (i) Cancer, Parkinson's disease, Huntington's
301 disease, muscular dystrophy, glaucoma, spastic quadriplegia,
302 positive status for human immunodeficiency virus (HIV), acquired
303 immune deficiency syndrome (AIDS), hepatitis, amyotrophic lateral
304 sclerosis (ALS), Crohn's disease, ulcerative colitis, sickle-cell
305 anemia, Alzheimer's disease, agitation of dementia, post-traumatic
306 stress disorder (PTSD), autism, pain refractory to appropriate
307 opioid management, diabetic/peripheral neuropathy, spinal cord
308 disease or severe injury, or the treatment of these conditions;

309 (ii) A chronic, terminal or debilitating disease
310 or medical condition, or its treatment, that produces one or more
311 of the following: cachexia or wasting syndrome, chronic pain,



312 severe or intractable nausea, seizures, or severe and persistent
313 muscle spasms, including, but not limited to, those characteristic
314 of multiple sclerosis; or

315 (iii) Any other serious medical condition or its
316 treatment added by the Mississippi Department of Health, as
317 provided for in Section 9 of this act.

318 (p) "Designated caregiver" means a person who:

319 (i) Has agreed to assist with a registered
320 qualifying patient's medical use of medical cannabis;

321 (ii) Assists no more than five (5) registered
322 qualifying patients with their medical use of medical cannabis,
323 unless the designated caregiver's registered qualifying patients
324 each reside in or are admitted to a health care facility or
325 facility providing residential care services or day care services
326 where the designated caregiver is employed;

327 (iii) Is at least twenty-one (21) years of age
328 unless the person is the parent or legal guardian of each
329 qualifying patient the person assists; and

330 (iv) Has not been convicted of a disqualifying
331 felony offense.

332 (q) "Disqualifying felony offense" means:

333 (i) A conviction for a crime of violence, as
334 defined in Section 97-3-2;

335 (ii) A conviction for a crime that was defined as
336 a violent crime in the law of the jurisdiction in which the



offense was committed, and that was classified as a felony in the jurisdiction where the person was convicted; or

(iii) A conviction for a violation of a state or federal controlled substances law that was classified as a felony in the jurisdiction where the person was convicted, including the service of any term of probation, incarceration or supervised release within the previous five (5) years and the offender has not committed another similar offense since the conviction. Under this subparagraph (iii), a disqualifying felony offense shall not include a conviction that consisted of conduct for which this chapter would likely have prevented the conviction but for the fact that the conduct occurred before the effective date of this act.

(r) "Edible cannabis products" means products that:

(i) Contain or are infused with cannabis or an extract thereof;

(ii) Are intended for human consumption by oral ingestion; and

(iii) Are presented in the form of foodstuffs, beverages, extracts, oils, tinctures, lozenges and other similar products.

(s) "Entity" means a corporation, general partnership, limited partnership or limited liability company that has been registered with the Secretary of State as applicable.



361 (t) "MMCEU" means Mississippi Medical Cannabis
362 Equivalency Unit. One unit of MMCEU shall be considered equal to:
363 (i) Three and one-half (3.5) grams of medical
364 cannabis flower;
365 (ii) One (1) gram of medical cannabis concentrate;
366 or
367 (iii) One hundred (100) milligrams of THC in an
368 infused product.
369 (u) "MDOH" means the Mississippi Department of Health.
370 (v) "MDOR" means the Mississippi Department of Revenue.
371 (w) "Medical cannabis" means cannabis, cannabis
372 products and edible cannabis that are intended to be used by
373 registered qualifying patients as provided in this chapter.
374 (x) "Medical cannabis dispensary" or "dispensary" means
375 an entity licensed and registered with the MDOR that acquires,
376 possesses, stores, transfers, sells, supplies or dispenses medical
377 cannabis, equipment used for medical cannabis, or related supplies
378 and educational materials to cardholders.
379 (y) "Medical cannabis establishment" means a cannabis
380 cultivation facility, cannabis processing facility, cannabis
381 testing facility, cannabis dispensary, cannabis transportation
382 entity, cannabis disposal entity or cannabis research facility
383 licensed and registered by the appropriate agency.



384 (z) "Medical cannabis establishment agent" means an
385 owner, officer, board member, employee, volunteer or agent of a
386 medical cannabis establishment.

387 (aa) "Medical use" includes the acquisition,
388 administration, cultivation, processing, delivery, harvest,
389 possession, preparation, transfer, transportation, or use of
390 medical cannabis or equipment relating to the administration of
391 medical cannabis to treat or alleviate a registered qualifying
392 patient's debilitating medical condition or symptoms associated
393 with the patient's debilitating medical condition. The term
394 "medical use" does not include:

395 (i) The cultivation of cannabis unless the
396 cultivation is done by a cannabis cultivation facility; or

397 (ii) The extraction of resin from cannabis by
398 mechanical or chemical extraction unless the extraction is done by
399 a cannabis processing facility.

400 (bb) "Nonresident cardholder" means a person who:

401 (i) Has been diagnosed with a debilitating medical
402 condition by a practitioner in his or her respective state or
403 territory, or is the parent, guardian, conservator or other person
404 with authority to consent to the medical use of medical cannabis
405 by a person who has been diagnosed with a debilitating medical
406 condition;



(ii) Is not a resident of Mississippi or who has been a resident of Mississippi for less than forty-five (45) days; and

(iii) Has submitted any documentation required by MDOH rules and regulations and has received confirmation of registration.

(cc) "Practitioner" means a physician, certified nurse practitioner, physician assistant or optometrist who is licensed to prescribe medicine under the licensing requirements of their respective occupational boards and the laws of this state. In relation to a nonresident cardholder, the term means a physician, certified nurse practitioner, physician assistant or optometrist who is licensed to prescribe medicine under the licensing requirements of their respective occupational boards and under the laws of the state or territory in which the nonresident patient resides. For registered qualifying patients who are minors, "practitioner" shall mean a physician or doctor of osteopathic medicine who is licensed to prescribe medicine under the licensing requirements of their respective occupational boards and the laws of this state.

(dd) "Public place" means a church or any area to which the general public is invited or in which the general public is permitted, regardless of the ownership of the area, and any area owned or controlled by a municipality, county, state or federal government, including, but not limited to, streets, sidewalks or



other forms of public transportation. Such term shall not mean a private residential dwelling.

(ee) "Qualifying patient" means a person who has been diagnosed by a practitioner as having a debilitating medical condition and has been issued a written certification.

(ff) "Registry identification card" means a document issued by the MDOH that identifies a person as a registered qualifying patient, nonresident registered qualifying patient or registered designated caregiver.

(gg) "School" means an institution for the teaching of children, consisting of a physical location, whether owned or leased, including instructional staff members and students, and which is in session each school year. This definition shall include, but not be limited to, public, private, church and parochial programs for kindergarten, elementary, junior high and high schools. Such term shall not mean a home instruction program.

(hh) "Scope of practice" means the defined parameters of various duties, services or activities that may be provided or performed by a certified nurse practitioner as authorized under Sections 73-15-5 and 73-15-20, by an optometrist as authorized under Section 73-19-1, by a physician as authorized under Section 73-25-33, or by a physician assistant under Section 73-26-5, and rules and regulations adopted by the respective licensing boards for those practitioners.



(ii) "THC" or "Tetrahydrocannabinol" means any and all forms of tetrahydrocannabinol that are contained naturally in the cannabis plant, as well as synthesized forms of THC and derived variations, derivatives, isomers and allotropes that have similar molecular and physiological characteristics of tetrahydrocannabinol, including, but not limited to, THCA, THC Delta 9, THC Delta 8, THC Delta 10 and THC Delta 6.

(jj) "Written certification" means a form approved by the MDOH, signed and dated by a practitioner, certifying that a person has a debilitating medical condition. A written certification shall include the following:

(i) The date of issue and the effective date of the recommendation;

(ii) The patient's name, date of birth and address;

(iii) The practitioner's name, address, and federal Drug Enforcement Agency number; and

(iv) The practitioner's signature.

SECTION 3. Authorization to use medical cannabis;

requirements. (1) No person shall be authorized to use medical cannabis in this state unless the person (a) has been diagnosed by a practitioner, with whom the person has a bona fide practitioner-patient relationship within his or her scope of practice, as having a debilitating medical condition for which the practitioner believes, in his or her professional opinion, that



the person would likely receive medical or palliative benefit from the medical use of medical cannabis to treat or alleviate the person's debilitating medical condition or symptoms associated with the person's debilitating medical condition, (b) has received a written certification of that diagnosis from the practitioner, and (c) has been issued a registry identification card from the MDOH under Section 12 of this act. A person who has been diagnosed by a practitioner as specified in paragraph (a) of this subsection shall be a qualifying patient, and the practitioner who has diagnosed the patient shall document that diagnosis with a written certification. However, nothing herein shall require a practitioner to issue a written certification.

(2) A written certification shall:

(a) Affirm that it is made in the course of a bona fide practitioner-patient relationship;

(b) Remain current for twelve (12) months, unless the practitioner specifies a shorter period of time;

(c) Be issued only after an in-person assessment of the patient by a practitioner;

(d) Only be issued on behalf of a minor when the minor's parent or guardian is present and provides signed consent; and

(e) Be limited to the allowable amount of cannabis in a thirty-day period.



(3) After a qualifying patient receives a written certification from a practitioner, the patient shall be required to make a follow-up visit with the practitioner not less than six (6) months after the date of issuance of the certification for the practitioner to evaluate and determine the effectiveness of the patient's medical use of medical cannabis to treat or alleviate the patient's debilitating medical condition or symptoms associated with the patient's debilitating medical condition.

(4) Before dispensing medical cannabis to a cardholder, the dispensary from which the cardholder is obtaining medical cannabis shall verify the identity of the cardholder and the authority of the cardholder to use medical cannabis as provided in Section 20 of this act and shall determine the maximum amount of medical cannabis that a cardholder is eligible to receive and the amount of medical cannabis that the cardholder has received from all dispensaries during a specified period of time using the statewide seed-to-sale tracking system under Section 6 of this act.

(5) A practitioner shall be registered to issue written certifications to qualifying patients by completing the required application process as set forth by the MDOH. The MDOH shall require a practitioner to complete a minimum of eight (8) hours of continuing education in medical cannabis in order to issue written certifications. After the first year of registration, these practitioners shall complete five (5) hours of continuing



education in medical cannabis annually to maintain this registration.

(6) Only physicians and doctors of osteopathic medicine may issue written certifications to registered qualifying patients who are minors.

SECTION 4. General Responsibilities of Departments. (1)

The MDOH shall have the ultimate authority for oversight of the administration of the medical cannabis program, and the MDOH shall coordinate the activities of the MDOH and MDOR under the provisions of this chapter in order to best effectuate the purpose and intent of this chapter.

(2) The MDOH may contract with other governmental agencies and public or private third parties to assist the MDOH with carrying out any of the responsibilities delegated to the MDOH under this subsection. However, the MDOH shall be ultimately responsible for the performance of any responsibilities that are exercised by any agency or third party with which the MDOH has contracted under the authority of this subsection.

(3) The MDOH shall be responsible for:

(a) The licensing, oversight and inspection of cannabis testing facilities and cannabis research facilities;

(b) The licensing of cannabis cultivation facilities, cannabis processing facilities, cannabis transportation entities and cannabis disposal entities;



(c) The application and licensing of registry identification cards for qualifying patients and designated caregivers;

(d) The registering of practitioners in accordance with this chapter; and

(e) The selection, certification and oversight of the statewide seed-to-sale tracking system as provided for in Section 6 of this act.

(4) Unless otherwise provided herein, the MDOR shall be responsible for the licensing, inspection and oversight of medical cannabis dispensaries.

(5) The MDOR and MDOH shall accept applications for and award licenses according to their respective duties as provided for in this chapter, subject to the following:

(a) After one hundred twenty (120) days from the effective date of this act, the MDOH shall begin accepting applications, registering and licensing registry identification cards and practitioners.

(b) After one hundred twenty (120) days from the effective date of this act, the MDOH shall begin licensing and registering cannabis cultivation facilities, cannabis processing facilities, cannabis testing facilities, cannabis research facilities, cannabis disposal entities and cannabis transportation entities. After one hundred fifty (150) days from the effective date of this act, the MDOR shall issue licenses for medical



cannabis dispensaries as provided for in this chapter within thirty (30) days of receipt of the application from an applicant or within thirty (30) days after the initial one-hundred-fifty-day period, whichever is the later date.

(6) The MDOR and MDOH shall issue a registration certificate and a random ten-digit alphanumeric identification number to each licensed medical cannabis establishment, as applicable.

(7) After one hundred twenty (120) days from the effective date of this act, the MDOH shall issue licenses according to their respective duties as provided for in this chapter within thirty (30) days of receipt of the application from an applicant or within thirty (30) days after the initial one-hundred-twenty-day period, whichever is the later date. After one hundred fifty (150) days from the effective date of this act, the MDOR shall issue licenses according to their respective duties as provided for in this chapter within thirty (30) days of receipt of the application from an applicant or within thirty (30) days after the initial one-hundred-fifty-day period, whichever is the later date.

(8) It is the intent of the Legislature that the MDOH and MDOR and any other state agency, as needed, shall cooperate and collaborate together to accomplish the purposes of this chapter.

(9) (a) Subject to paragraph (b) of this subsection, the Department of Public Safety shall not be involved in or have any role regarding the administration, regulation or oversight of the medical cannabis program established under this chapter; however,



604 this provision does not prohibit the department from carrying out
605 any law enforcement activities that a law enforcement agency may
606 exercise under this chapter or that the department may exercise
607 under the authority of any other law.

608 (b) The Department of Public Safety may assist the MDOH
609 in conducting background checks of individuals as required under
610 this chapter.

611 **SECTION 5. Protections for the medical use of cannabis.** (1)

612 There is a presumption that a registered qualifying patient is
613 engaged in the medical use of medical cannabis under this chapter
614 if the person is in possession of a registry identification card
615 and an amount of medical cannabis that does not exceed the
616 allowable amount of medical cannabis. There is a presumption that
617 a registered designated caregiver is assisting in the medical use
618 of medical cannabis under this chapter if the person is in
619 possession of a registry identification card and an amount of
620 medical cannabis that does not exceed the allowable amount of
621 medical cannabis. These presumptions may be rebutted by evidence
622 that conduct related to medical cannabis was not for the purpose
623 of treating or alleviating a registered qualifying patient's
624 debilitating medical condition or symptoms associated with the
625 registered qualifying patient's debilitating medical condition
626 under this chapter.



627 (2) Subject to the conditions, limitations, requirements and
628 exceptions set forth in this chapter, the following activities
629 related to medical cannabis shall be considered lawful:

630 (a) The purchase, transportation or possession of up to
631 the allowable amount or medical use of medical cannabis;

632 (b) Financial reimbursement by a registered qualifying
633 patient to the patient's registered designated caregiver for
634 direct costs incurred by the registered designated caregiver for
635 assisting with the registered qualifying patient's medical use of
636 medical cannabis;

637 (c) Compensating a dispensary for goods or services
638 provided;

639 (d) The provision, by a professional or occupational
640 licensee, of advice or services related to medical cannabis
641 activities allowed under this chapter, to the extent such advice
642 or services meet or exceed the applicable professional or
643 occupational standard of care;

644 (e) Providing or selling equipment used to ingest
645 medical cannabis to a cardholder, nonresident cardholder or to a
646 medical cannabis establishment;

647 (f) Acting as a designated caregiver to assist a
648 registered qualifying patient with the act of using or
649 administering medical cannabis;



650 (g) Activities by a medical cannabis establishment or a
651 medical cannabis establishment agent that are allowed by its
652 license and registration;

653 (h) Activities by a dispensary or a dispensary agent to
654 possess, store or sell medical cannabis products, educational
655 materials and products used to ingest medical cannabis to
656 cardholders, nonresident cardholders and other dispensaries, or to
657 purchase or otherwise acquire medical cannabis products from
658 cannabis cultivation facilities, cannabis processing facilities,
659 cannabis research facilities or other dispensaries;

660 (i) Activities by a cannabis cultivation facility,
661 cannabis processing facility or agents of these facilities to:

662 (i) Possess, plant, propagate, cultivate, grow,
663 harvest, produce, process, manufacture, compound, convert,
664 prepare, pack, repack or store medical cannabis;

665 (ii) Purchase or otherwise acquire medical
666 cannabis and cannabis products from medical cannabis
667 establishments; or

668 (iii) Sell, supply or transfer medical cannabis
669 products, equipment used to ingest medical cannabis, and related
670 supplies and educational materials to other cannabis cultivation
671 facilities, cannabis processing facilities or dispensaries.

672 (j) Activities by a cannabis research facility, a
673 cannabis testing facility or agents of these facilities to:



674 (i) Purchase or otherwise acquire medical cannabis
675 from medical cannabis establishments;
676 (ii) Possess, produce, process, compound, convert,
677 prepare, pack, test, repack and store medical cannabis and
678 cannabis products obtained from medical cannabis establishments;
679 or
680 (iii) Sell, supply or transfer medical cannabis,
681 educational materials and equipment used to ingest medical
682 cannabis to cannabis cultivation facilities, cannabis processing
683 facilities, cannabis testing facilities and cannabis research
684 facilities.
685 (k) Activities by a cannabis transportation entity or a
686 cannabis disposal entity to transport, supply, deliver, dispose of
687 or destroy cannabis, as applicable.
688 (3) Any medical cannabis, cannabis product, equipment used
689 to ingest medical cannabis, or other interest in or right to
690 property that is possessed, owned or used in connection with the
691 medical use of medical cannabis as authorized by this chapter, or
692 acts incidental to such use, shall not be seized or forfeited.
693 This chapter shall not prevent the seizure or forfeiture of
694 medical cannabis exceeding the allowable amounts of medical
695 cannabis, nor shall it prevent seizure or forfeiture if the basis
696 for the action is unrelated to the medical cannabis that is
697 possessed, processed, transferred or used pursuant to this
698 chapter.



(4) Possession of, or application for, a registry identification card shall not:

(a) Constitute probable cause or reasonable suspicion;

(b) Be used to support a search of the person or property of the person possessing or applying for the registry identification card; or

(c) Subject the person or property of the person to inspection by any governmental agency.

(5) It is the public policy of the State of Mississippi that contracts related to medical cannabis that are entered into by cardholders, medical cannabis establishments, medical cannabis establishment agents and those who allow property to be used by those persons, should be enforceable to the extent that those activities comply with the other provisions of this chapter. It is the public policy of the State of Mississippi that no contract entered into by a cardholder, a medical cannabis establishment, or a medical cannabis establishment agent, or by a person who allows property to be used for activities that are authorized under this chapter, shall be unenforceable on the basis that activities related to cannabis are prohibited by federal law.

(6) An applicant for a professional or occupational license shall not be denied a license based on previous employment related to medical cannabis activities that are allowed under this chapter.



SECTION 6. Seed-to-sale tracking system.

(1) Each medical cannabis establishment shall use a statewide seed-to-sale tracking system certified by the MDOH to track medical cannabis from seed or immature plant stage until the medical cannabis is purchased by a registered qualifying patient or registered designated caregiver or destroyed. Records entered into the seed-to-sale tracking system shall include each day's beginning inventory, harvests, acquisitions, sales, disbursements, remediations, disposals, transfers, ending inventory, and any other data necessary for inventory control records in the statewide seed-to-sale tracking system. Each medical cannabis dispensary shall be responsible for ensuring that all medical cannabis sold or disbursed to a registered qualifying patient or registered designated caregiver is recorded in the seed-to-sale tracking system as a purchase by or on behalf of the applicable registered qualifying patients.

(2) Amounts of medical cannabis shall be recorded in the following manner:

(a) For dried, unprocessed cannabis, in ounces or grams;

(b) For concentrates, in grams; or

(c) For infused products, by milligrams of THC.

(3) The seed-to-sale tracking system used by cannabis cultivation facilities, dispensaries, cannabis processing facilities, cannabis testing facilities, cannabis research



747 facilities, cannabis transportation entities and cannabis disposal
748 entities shall be capable of:

749 (a) Allowing those facilities and entities to interface
750 with the statewide system such that a facility may enter and
751 access information in the statewide system;

752 (b) Providing the MDOR and MDOH with access to all
753 information stored in the system's database;

754 (c) Maintaining the confidentiality of all patient and
755 caregiver data and records accessed or stored by the system such
756 that all persons or entities other than the MDOR and MDOH may only
757 access the information in the system that they are authorized by
758 law to access;

759 (d) Producing analytical reports to the MDOR and MDOH
760 regarding the total quantity of daily, monthly, and yearly sales
761 at the facility per product type; the average prices of daily,
762 monthly, and yearly sales at the facility per product type; and
763 total inventory or sales record adjustments at the facility; and

764 (e) The ability to determine the amount of medical
765 cannabis that a registered qualifying patient or registered
766 designated caregiver has purchased that day in real time by
767 searching a patient registration number.

768 (4) Banks and other financial institutions may be allowed
769 access to specific limited information from the seed-to-sale
770 tracking system. The information that may be available to these
771 institutions shall be limited to financial data of individuals and



business entities that have a business relationship with these institutions. This information shall be limited to the information needed for banks to comply with applicable federal regulations and shall not disclose any medical or personal information about registered cardholders or designated caregivers.

SECTION 7. Limitations. (1) This chapter shall not be construed to do any of the following:

(a) Require an organization for managed care, health benefit plan, private health insurer, government medical assistance program, employer, property and casualty, or workers' compensation insurer or self-insured group providing coverage for a medical, pharmacy or health care service to pay for or reimburse any other individual or entity for costs associated with the medical use of cannabis;

(b) Require any employer to permit, accommodate, or allow the medical use of medical cannabis, or to modify any job or working conditions of any employee who engages in the medical use of medical cannabis or who for any reason seeks to engage in the medical use of medical cannabis;

(c) Prohibit any employer from refusing to hire, discharging, disciplining, or otherwise taking an adverse employment action against an individual with respect to hiring, discharging, tenure, terms, conditions, or privileges of employment as a result, in whole or in part, of that individual's medical use of medical cannabis, regardless of the individual's



797 impairment or lack of impairment resulting from the medical use of
798 medical cannabis;

799 (d) Prohibit or limit the ability of any employer from
800 establishing or enforcing a drug-testing policy;

801 (e) Interfere with, impair or impede any federal
802 restrictions or requirements on employment or contracting,
803 including, but not limited to, regulations adopted by the United
804 States Department of Transportation in Title 49, Code of Federal
805 Regulations;

806 (f) Permit, authorize, or establish any individual's
807 right to commence or undertake any legal action against an
808 employer for refusing to hire, discharging, disciplining or
809 otherwise taking an adverse employment action against an
810 individual with respect to hiring, discharging, tenure, terms,
811 conditions or privileges of employment due to the individual's
812 medical use of medical cannabis;

813 (g) Affect, alter or otherwise impact the workers'
814 compensation premium discount available to employers who establish
815 a drug-free workplace program in accordance with Section 71-3-201
816 et seq.;

817 (h) Affect, alter or otherwise impact an employer's
818 right to deny or establish legal defenses to the payment of
819 workers' compensation benefits to an employee on the basis of a
820 positive drug test or refusal to submit to or cooperate with a



821 drug test, as provided under Section 71-3-7 and Section 71-3-121;
822 or

823 (i) Affect, alter or supersede any obligation or
824 condition imposed on a parolee, probationer or an individual
825 participating in a pretrial diversion program or other
826 court-ordered substance abuse rehabilitation program.

827 (2) This chapter does not authorize any individual to engage
828 in, and does not prevent the imposition of any civil, criminal or
829 other penalties for engaging in, the following conduct:

830 (a) Acting with negligence, gross negligence,
831 recklessness, in breach of any applicable professional or
832 occupational standard of care, or to effect an intentional wrong,
833 as a result, in whole or in part, of that individual's medical use
834 of medical cannabis;

835 (b) Possessing medical cannabis or otherwise engaging
836 in the medical use of medical cannabis in any correctional
837 facility, unless the correctional facility has elected to allow
838 the cardholder to engage in the use of medical cannabis;

839 (c) Smoking medical cannabis in a public place or in a
840 motor vehicle; for purposes of this paragraph (c), the term
841 "smoking" includes vaping and any other method of inhalation of
842 medical cannabis;

843 (d) Operating, navigating, or being in actual physical
844 control of any motor vehicle, aircraft, train, motorboat or other
845 conveyance in a manner that would violate Section 59-23-7, Section



63-11-30 or federal law as a result, in whole or in part, of that individual's medical use of medical cannabis;

(e) Possessing medical cannabis in excess of the allowable amount of medical cannabis; or

(f) Consumption, by a registered designated caregiver, of cannabis provided for use to a registered qualifying patient.

SECTION 8. Discrimination prohibited. (1) A person shall not be denied custody of or visitation rights or parenting time with a minor solely for the person's status as a cardholder.

(2) No school, landlord or employer may be penalized or denied any benefit under state law for enrolling, leasing to or employing a cardholder.

(3) A registered qualifying patient or registered designated caregiver shall not be denied the right to own, purchase or possess a firearm, firearm accessory or ammunition based solely on his or her status as a registered qualifying patient or registered designated caregiver. No state or local agency, municipal or county governing authority shall restrict, revoke, suspend or otherwise infringe upon the right of a person to own, purchase or possess a firearm, firearm accessory or ammunition or any related firearms license or certification based solely on his or her status as a registered qualifying patient or registered designated caregiver.



(4) Facilities such as schools, child care facilities and temporary care providers shall be allowed to administer medical cannabis in the same manner as with medical prescriptions.

(5) Nothing in this chapter shall be construed as to create a private right of action by an employee against an employer.

(6) Nothing in this chapter shall be construed to affect the existing legal relationship between an employer and employee or any existing law or regulation relating to such relationship.

SECTION 9. Addition of debilitating medical conditions. (1)

Any resident of Mississippi may petition the MDOH to add serious medical conditions or their treatments to the list of debilitating medical conditions listed in Section 2 of this act. The MDOH shall consider petitions in accordance with its rules and regulations, including public notices and hearings. The MDOH shall approve or deny a petition within sixty (60) days of its submission.

(2) The approval or denial of any petition is a final decision of the MDOH. Any person aggrieved by a final decision may obtain judicial review thereof in accordance with Section 31 of this act.

SECTION 10. Acts not required and acts not prohibited. (1)

Nothing in this chapter requires a government medical assistance program or private insurer to reimburse a person for costs associated with the medical use of medical cannabis.



(2) Nothing in this chapter prohibits an employer from disciplining an employee for ingesting medical cannabis in the workplace or for working while under the influence of medical cannabis.

(3) Any person or establishment that is in lawful possession of property may allow a guest, client, customer or other visitor to use medical cannabis on or in that property as authorized under this chapter.

(4) A landlord may, but shall not be required to, allow the lawful cultivation, processing, testing, research, sale or use of medical cannabis on rental property as authorized under this chapter.

SECTION 11. Facility restrictions. (1) Any nursing facility, hospital, hospice, assisted living facility, personal care home, adult day care facility, or adult foster care facility may adopt reasonable restrictions on the use of medical cannabis by registered qualifying patients who are receiving health care services, residential care services, or day care services from the facility, including:

(a) That the facility will not store or maintain the patient's supply of medical cannabis;

(b) That the facility, caregivers, or hospice agencies serving the facility's residents are not responsible for providing the medical cannabis for registered qualifying patients; and



(c) That medical cannabis be consumed only in a place specified by the facility.

(2) Nothing in this section requires a facility listed in subsection (1) of this section to adopt restrictions on the medical use of medical cannabis.

(3) A facility listed in subsection (1) of this section may not unreasonably limit a registered qualifying patient's access to or medical use of medical cannabis authorized under this chapter, unless failing to do so would cause the facility to lose a monetary or licensing-related benefit under federal law or regulations.

SECTION 12. Issuance and denial of registry identification cards. (1) No later than one hundred twenty (120) days after the effective date of this act, the MDOH shall begin issuing registry identification cards to qualifying patients who submit the following:

(a) A written certification issued by a practitioner within sixty (60) days immediately preceding the date of the application;

(b) The application or renewal fee;

(c) The name, address, social security number, and date of birth of the qualifying patient;

(d) The name, address, and telephone number of the qualifying patient's practitioner issuing the written certification;



942 (e) The name, address, social security number, and date
943 of birth of the designated caregiver, or designated caregivers,
944 chosen by the qualifying patient; and

945 (f) If more than one (1) designated caregiver is
946 designated at any given time, documentation demonstrating that a
947 greater number of designated caregivers is needed due to the
948 patient's age or medical condition.

949 (2) If the qualifying patient is unable to submit the
950 information required by subsection (1) of this section due to the
951 person's age or medical condition, the person responsible for
952 making medical decisions for the qualifying patient may do so on
953 behalf of the qualifying patient.

954 (3) Except as provided in subsection (5) of this section,
955 the MDOH shall:

956 (a) Verify the information contained in an application
957 or renewal submitted under this section and approve or deny an
958 application or renewal within thirty (30) days of receiving a
959 completed application or renewal application; and

960 (b) Issue registry identification cards to a qualifying
961 patient and his or her designated caregiver(s), if any, within
962 five (5) days of approving the application or renewal. A
963 designated caregiver must have a registry identification card for
964 each of his or her qualifying patients.

965 (4) The MDOH shall conduct a background check of the
966 prospective designated caregiver or caregivers in order to carry



out the provisions of this section. The Department of Public Safety may assist the MDOH in conducting background checks.

(5) The MDOH shall not issue a registry identification card to a qualifying patient who is younger than eighteen (18) years of age, unless:

(a) The qualifying patient's practitioner has explained the potential risks and benefits of the medical use of medical cannabis to the custodial parent or legal guardian with responsibility for health care decisions for the qualifying patient; and

(b) The custodial parent or legal guardian with responsibility for health care decisions for the qualifying patient consents in writing to:

(i) Acknowledge the potential harms related to the use of medical cannabis;

(ii) Allow the qualifying patient's medical use of medical cannabis;

(iii) Serve as the qualifying patient's designated caregiver; and

(iv) Control the acquisition of the medical cannabis, the dosage and the frequency of the use of medical cannabis by the qualifying patient.

(6) If a designated caregiver is an entity licensed to provide health care services, residential care services or day care services, then:



992 (a) The MDOH may provide a single registry
993 identification card to the entity, regardless of the number of
994 registered qualifying patients the entity serves; and

995 (b) The MDOH may issue individual registry
996 identification cards for employees of the entity that may
997 transport medical cannabis.

998 (7) The MDOH shall provide an electronic or physical list of
999 registered qualifying patients who have designated the entity as
1000 their caregiver. This list shall be updated with each additional
1001 designation.

1002 (8) The MDOH may deny an application or renewal of a
1003 qualifying patient's registry identification card only if the
1004 applicant:

1005 (a) Did not provide the required information or
1006 materials;

1007 (b) Previously had a registry identification card
1008 revoked;

1009 (c) Provided false information; or

1010 (d) Failed to meet the other requirements of this
1011 chapter.

1012 (9) The MDOH may deny an application or renewal for a
1013 designated caregiver chosen by a qualifying patient whose registry
1014 identification card was granted only if the applicant:

1015 (a) Does not meet the definition of "designated
1016 caregiver" under Section 2 of this act;



1017 (b) Did not provide the information required;
1018 (c) Previously had a registry identification card
1019 revoked;
1020 (d) Provided false information;
1021 (e) Is younger than twenty-one (21) years of age and is
1022 not the parent or legal guardian of the qualifying patient who the
1023 designated caregiver would assist; or
1024 (f) Failed to meet the other requirements of this
1025 chapter.

1026 (10) The MDOH shall give written notice to the qualifying
1027 patient of the reason for denying a registry identification card
1028 to the qualifying patient or to the qualifying patient's
1029 designated caregiver.

1030 (11) Denial of an application or renewal is considered a
1031 final MDOH action, subject to judicial review in accordance with
1032 Section 31 of this act.

1033 **SECTION 13. Registry identification cards.** (1) Registry
1034 identification cards must contain all of the following:

1035 (a) The name of the cardholder;
1036 (b) A designation of whether the cardholder is a
1037 qualifying patient, a designated caregiver or a nonresident;
1038 (c) The date of issuance and expiration date of the
1039 registry identification card;



1040 (d) A random ten-digit alphanumeric identification
1041 number, containing at least four (4) numbers and at least four (4)
1042 letters, that is unique to the cardholder;

1043 (e) If the cardholder is a designated caregiver, the
1044 random identification number of the qualifying patient the
1045 designated caregiver will assist;

1046 (f) A photograph of the cardholder;

1047 (g) The toll-free phone number or internet address
1048 where the card can be verified;

1049 (h) A notice of the potential harm caused by medical
1050 cannabis; and

1051 (i) A notice of the MMCEU daily, monthly and possession
1052 limit.

1053 (2) The expiration date shall be visible on the registry
1054 identification card. Except as provided in subsection (3) or
1055 subsection (4) of this section, the expiration date for registry
1056 identification cards for residents shall be one (1) year after the
1057 date of issuance. The expiration date for registry identification
1058 cards for nonresidents shall be fifteen (15) days after the date
1059 of issuance, except as provided in subsection (4) of this section.

1060 (3) If the practitioner stated in the written certification
1061 that the qualifying patient would benefit from the medical use of
1062 medical cannabis until a specified earlier date, then the registry
1063 identification card shall expire on that date, except as provided
1064 in subsection (4) of this section.



1065 (4) (a) The expiration date for registry identification
1066 cards for residents that are issued not later than one hundred
1067 fifty (150) days after the effective date of this act shall be one
1068 (1) year after the initial one-hundred-fifty-day period.

1069 (b) If the practitioner specified an earlier date for
1070 the expiration of the registry identification card as provided
1071 under subsection (3) of this section, then the registry
1072 identification card shall be valid for the period specified by the
1073 practitioner, which shall begin after the initial
1074 one-hundred-fifty-day period.

1075 (c) The expiration date for registry identification
1076 cards for nonresidents that are issued not later than one hundred
1077 fifty (150) days after the effective date of this act shall be
1078 fifteen (15) days after the initial one-hundred-fifty-day period.

1079 **SECTION 14. Annual reports.** (1) No later than December 31,
1080 2022, and every December 31 thereafter, the MDOH and MDOR shall
1081 provide an annual report to the Governor, Lieutenant Governor,
1082 Speaker of the House of Representatives, Chairman of the Senate
1083 Public Health and Welfare Committee, Chairman of the House of
1084 Representatives Public Health and Human Services Committee and the
1085 Chairmen of the Drug Policy Committees and Appropriation
1086 Committees of the Senate and House of Representatives.

1087 (2) The MDOH and MDOR shall report every year to the
1088 Governor, Lieutenant Governor, Speaker of the House of
1089 Representatives, Chairman of the Senate Public Health and Welfare



1090 Committee, Chairman of the House of Representatives Public Health
1091 and Human Services Committee and the Chairmen of the Drug Policy
1092 Committees and Appropriation Committees of the Senate and House of
1093 Representatives on the number of applications for registry
1094 identification cards received, the amount of fees, fines and taxes
1095 collected, any changes to the fees allowed to be charged under
1096 this chapter, any addition to the list of debilitating medical
1097 conditions, the number of qualifying patients and designated
1098 caregivers approved, the number of registry identification cards
1099 revoked and expenses incurred by the MDOH and MDOR. The MDOH
1100 shall not include identifying information on qualifying patients,
1101 designated caregivers or practitioners in the report.

1102 (3) The MDOR shall provide quarterly reports for all sales
1103 of medical cannabis sold by dispensaries to registered qualified
1104 patients to the Governor, Lieutenant Governor, Speaker of the
1105 House of Representatives, Chairman of the Senate Public Health and
1106 Welfare Committee, Chairman of the House of Representatives Public
1107 Health and Human Services Committee, and the Chairmen of the Drug
1108 Policy Committees and Appropriation Committees of the Senate and
1109 House of Representatives. The MDOR shall report every year on the
1110 number of each type of medical cannabis establishments that are
1111 licensed and registered and the expenses incurred and revenues
1112 generated from the medical cannabis program to the Governor,
1113 Lieutenant Governor, Speaker of the House of Representatives,
1114 Chairman of the Senate Public Health and Welfare Committee,



1115 Chairman of the House of Representatives Public Health and Human
1116 Services Committee, and the Chairmen of the Drug Policy Committees
1117 and Appropriation Committees of the Senate and House of
1118 Representatives.

1119 **SECTION 15. Verification system.** (1) The MDOH shall
1120 maintain a confidential list of the persons to whom the MDOH has
1121 issued registry identification cards and their addresses, phone
1122 numbers, and registry identification numbers. This confidential
1123 list shall not be combined or linked in any manner with any other
1124 lists or databases, nor shall it be used for any purpose not
1125 provided for in this chapter.

1126 (2) All records containing the identity of registered
1127 qualifying patients, registered designated caregivers or
1128 practitioners shall be confidential and exempt from disclosure
1129 under the Mississippi Public Records Act or any related statute,
1130 rule or regulation pertaining to public disclosure of records.
1131 Within one hundred twenty (120) days after the effective date of
1132 this act, the MDOH shall establish a secure phone and
1133 internet-based verification system. The verification system must
1134 allow law enforcement personnel and medical cannabis
1135 establishments to enter a registry identification number to
1136 determine whether the number corresponds with a current, valid
1137 registry identification card. The system may disclose only:

- 1138 (a) Whether the identification card is valid;
1139 (b) The name of the cardholder;



(c) Whether the cardholder is a registered qualifying patient, a registered designated caregiver, or a nonresident; and

(d) If a cardholder is a registered designated caregiver, the registry identification number of any affiliated registered qualifying patient.

SECTION 16. Notifications to department and responses. (1)

The following notifications and MDOH responses are required:

(a) A registered qualifying patient shall notify the MDOH of any change in his or her name or address, or if the registered qualifying patient ceases to have his or her diagnosed debilitating medical condition, within twenty (20) days of the change.

(b) A registered designated caregiver shall notify the MDOH of any change in his or her name or address, or if the designated caregiver becomes aware that the registered qualifying patient passed away, within twenty (20) days of the change.

(c) Before a registered qualifying patient changes his or her registered designated caregiver, the registered qualifying patient must notify the MDOH.

(d) If a cardholder loses his or her registry identification card, he or she shall notify the MDOH within ten (10) days of becoming aware that the card has been lost.

(2) Each notification that a registered qualifying patient is required to make shall instead be made by the patient's registered designated caregiver if the qualifying patient is



1165 unable to make the notification due to his or her age or medical
1166 condition.

1167 (3) When a cardholder notifies the MDOH of any of the
1168 circumstances listed in subsection (1) of this section but remains
1169 eligible under this chapter, the MDOH shall issue the cardholder a
1170 new registry identification card within ten (10) days of receiving
1171 the updated information and a Twenty-five Dollar (\$25.00) fee. If
1172 the person notifying the MDOH is a registered qualifying patient,
1173 the MDOH shall also issue his or her registered designated
1174 caregiver, if any, a new registry identification card within ten
1175 (10) days of receiving the updated information.

1176 (4) If the registered qualifying patient's certifying
1177 practitioner notifies the patient and the MDOH in writing that
1178 either the registered qualifying patient has ceased to have a
1179 debilitating medical condition or that the practitioner no longer
1180 believes, in his or her professional opinion and within his or her
1181 scope of practice, that the patient would likely receive medical
1182 or palliative benefit from the medical use of medical cannabis to
1183 treat or alleviate the patient's debilitating medical condition or
1184 symptoms associated with the patient's debilitating medical
1185 condition, the card shall become null and void.

1186 (5) A medical cannabis establishment shall notify the MDOH
1187 within one (1) business day of any theft or loss of medical
1188 cannabis.



(6) A medical cannabis establishment shall notify its licensing agency within one (1) business day if there is a change of ownership or closure of the entity.

SECTION 17. Reporting requirement of dispensaries. Medical cannabis dispensaries shall report medical cannabis dispensing information every twenty-four (24) hours to the Prescription Monitoring Program provided for in Section 73-21-127. Dispensaries shall submit information as required by the Prescription Monitoring Program, including, but not limited to, the qualified patient's registry identification card number and the amount of medical cannabis dispensed to the patient.

SECTION 18. Licensing of medical cannabis establishments. (1) The MDOH shall issue licenses for cannabis cultivation facilities, cannabis processing facilities, cannabis transportation entities, cannabis disposal entities, cannabis research facilities and cannabis testing facilities. The MDOR shall issue licenses for medical cannabis dispensaries.

(2) The cannabis cultivation facility license application fee shall be subject to the following tiers:

(a) Micro-cultivators.

(i) Tier 1. A cannabis cultivation facility with a canopy of one thousand (1,000) square feet or less shall be subject to a one-time nonrefundable license application fee of One Thousand Five Hundred Dollars (\$1,500.00). The annual license fee shall be a nonrefundable fee of Two Thousand Dollars (\$2,000.00).



1214 (ii) Tier 2. A cannabis cultivation facility with
1215 a canopy of more than one thousand (1,000) square feet but not
1216 more than two thousand (2,000) square feet shall be subject to a
1217 one-time nonrefundable license application fee of Two Thousand
1218 Five Hundred Dollars (\$2,500.00). The annual license fee shall be
1219 a nonrefundable fee of Three Thousand Five Hundred Dollars
1220 (\$3,500.00).

1221 (b) Cultivators.

1222 (i) Tier 1. A cannabis cultivation facility with
1223 a canopy of not less than two thousand (2,000) square feet but not
1224 more than five thousand (5,000) square feet shall be subject to a
1225 one-time nonrefundable license application fee of Five Thousand
1226 Dollars (\$5,000.00). The annual license fee shall be a
1227 nonrefundable fee of Fifteen Thousand Dollars (\$15,000.00).

1228 (ii) Tier 2. A cannabis cultivation facility with
1229 a canopy of not less than five thousand (5,000) square feet but
1230 not more than fifteen thousand (15,000) square feet shall be
1231 subject to a one-time nonrefundable license application fee of Ten
1232 Thousand Dollars (\$10,000.00). The annual license fee shall be a
1233 nonrefundable fee of Twenty-five Thousand Dollars (\$25,000.00).

1234 (iii) Tier 3. A cannabis cultivation facility
1235 with a canopy of not less than fifteen thousand (15,000) square
1236 feet but not more than thirty thousand (30,000) square feet shall
1237 be subject to a one-time nonrefundable license application fee of
1238 Twenty Thousand Dollars (\$20,000.00). The annual license fee



1239 shall be a nonrefundable fee of Fifty Thousand Dollars
1240 (\$50,000.00).

1241 (iv) Tier 4. A cannabis cultivation facility with
1242 a canopy of not less than thirty thousand (30,000) square feet but
1243 not more than sixty thousand (60,000) square feet shall be subject
1244 to a one-time nonrefundable license application fee of Thirty
1245 Thousand Dollars (\$30,000.00). The annual license fee shall be a
1246 nonrefundable fee of Seventy-five Thousand Dollars (\$75,000.00).

1247 (v) Tier 5. A cannabis cultivation facility with
1248 a canopy of not less than sixty thousand (60,000) square feet but
1249 not more than one hundred thousand (100,000) square feet shall be
1250 subject to a one-time nonrefundable license application fee of
1251 Forty Thousand Dollars (\$40,000.00). The annual license fee shall
1252 be a nonrefundable fee of One Hundred Thousand Dollars
1253 (\$100,000.00).

1254 (vi) Tier 6. A cannabis cultivation facility with
1255 a canopy of one hundred thousand (100,000) square feet or more
1256 shall be subject to a one-time nonrefundable license application
1257 fee of Sixty Thousand Dollars (\$60,000.00). The annual license
1258 fee shall be a nonrefundable fee of One Hundred Fifty Thousand
1259 Dollars (\$150,000.00).

1260 (3) The cannabis processing facility license application fee
1261 shall be subject to the following tiers:

1262 (a) Micro-processors.



1263 (i) Tier 1. A cannabis processing facility which
1264 processes less than two thousand (2,000) pounds of dried biomass
1265 cannabis material annually shall be subject to a one-time
1266 nonrefundable license application fee of Two Thousand Dollars
1267 (\$2,000.00). The annual license fee shall be a nonrefundable fee
1268 of Three Thousand Five Hundred Dollars (\$3,500.00).

1269 (ii) Tier 2. A cannabis processing facility which
1270 processes not less than two thousand (2,000) pounds but less than
1271 three thousand (3,000) pounds of dried biomass cannabis material
1272 annually shall be subject to a one-time nonrefundable license
1273 application fee of Two Thousand Five Hundred Dollars (\$2,500.00).
1274 The annual license fee shall be a nonrefundable fee of Five
1275 Thousand Dollars (\$5,000.00).

1276 (b) Processors. A cannabis processing facility which
1277 processes not less than three thousand (3,000) pounds of biomass
1278 cannabis material annually shall be subject to a one-time
1279 nonrefundable license application fee of Fifteen Thousand Dollars
1280 (\$15,000.00). The annual license fee shall be a nonrefundable fee
1281 of Twenty Thousand Dollars (\$20,000.00).

1282 (4) A medical cannabis dispensary shall be subject to a
1283 one-time nonrefundable license application fee of Fifteen Thousand
1284 Dollars (\$15,000.00). The annual license fee shall be a
1285 nonrefundable fee of Twenty-five Thousand Dollars (\$25,000.00).

1286 (5) Cannabis transportation entities shall be subject to a
1287 one-time nonrefundable application fee of Five Thousand Dollars



1288 (\$5,000.00). The annual license fee shall be a nonrefundable fee
1289 of Seven Thousand Five Hundred Dollars (\$7,500.00).

1290 (6) Cannabis disposal entities shall be subject to a
1291 one-time nonrefundable application fee of Five Thousand Dollars
1292 (\$5,000.00). The annual license fee shall be a nonrefundable fee
1293 of Seven Thousand Five Hundred Dollars (\$7,500.00).

1294 (7) Cannabis testing facilities shall be subject to a
1295 one-time nonrefundable application fee of Ten Thousand Dollars
1296 (\$10,000.00) and an annual license fee of Fifteen Thousand Dollars
1297 (\$15,000.00). A cannabis testing facility shall not employ an
1298 agent or employee who also is employed or has ownership at any
1299 other medical cannabis establishment.

1300 (8) Cannabis research facilities shall be subject to a
1301 one-time nonrefundable application fee of Ten Thousand Dollars
1302 (\$10,000.00) and an annual license fee of Fifteen Thousand Dollars
1303 (\$15,000.00). A research facility at any university or college in
1304 this state shall be exempt from all fees imposed under this
1305 section.

1306 (9) No individual or business entity shall have a direct or
1307 indirect ownership or economic interest of greater than ten
1308 percent (10%) in:

1309 (a) More than one (1) cannabis cultivation facility
1310 license;

1311 (b) More than one (1) cannabis processing facility
1312 license; and



1313 (c) More than five (5) medical cannabis dispensary
1314 licenses.

1315 (10) Minimum qualifications for applicants for a cannabis
1316 cultivation facility, a cannabis processing facility, a medical
1317 cannabis dispensary, a medical cannabis transportation entity or a
1318 medical cannabis disposal entity license(s) are as follows:

1319 (a) An individual applicant for a cannabis cultivation
1320 facility, cannabis processing facility, medical cannabis
1321 dispensary, medical cannabis transportation entity or medical
1322 cannabis disposal license shall be a natural person who:

1323 (i) Is at least twenty-one (21) years of age;

1324 (ii) Has not previously held a license for a
1325 cannabis cultivation facility, cannabis processing facility,
1326 medical cannabis dispensary, medical cannabis transportation
1327 entity or medical cannabis disposal entity that has been revoked;

1328 (iii) Has not been convicted of a disqualifying
1329 felony offense;

1330 (iv) If possessing a professional or occupational
1331 license, that the license is in good standing;

1332 (v) Has submitted a sworn statement indicating
1333 that he or she is a true and actual owner of the entity for which
1334 the license is desired, and that he or she intends to carry on the
1335 business authorized for himself or herself and the entity and not
1336 as the agent for any other entity.



1337 (vi) Has no outstanding tax delinquencies owed to
1338 the State of Mississippi;

1339 (vii) Is not serving as a member of the
1340 Mississippi Senate or Mississippi House of Representatives through
1341 December 31, 2022;

1342 (viii) Is not the spouse of a person serving as a
1343 member of the Mississippi Senate or Mississippi House of
1344 Representatives through December 31, 2022; and

1345 (b) If the applicant is applying on behalf of an
1346 entity, in addition to paragraph (a) of this subsection, the
1347 individual applicant shall:

1348 (i) Be legally authorized to submit an application
1349 on behalf of the entity;

1350 (ii) Serve as the primary point of contact with
1351 the MDOR and MDOH;

1352 (iii) Submit sufficient proof that the entity has
1353 no owner, board member, officer, or anyone with an economic
1354 interest in the entity who:

1355 1. Is under the age of twenty-one (21);

1356 2. Has previously been an owner of a medical
1357 cannabis dispensary, cannabis cultivation facility, a cannabis
1358 processing facility, medical cannabis transportation entity or
1359 medical cannabis disposal entity that has had its license revoked;

1360 3. Has been convicted of a disqualifying
1361 felony offense;



1362 4. Owes delinquent taxes to the State of
1363 Mississippi;

1364 5. Is serving as a member of the Mississippi
1365 Senate or Mississippi House of Representatives through December
1366 31, 2022; and

1367 6. Is the spouse of a person serving as a
1368 member of the Mississippi Senate or Mississippi House of
1369 Representatives through December 31, 2022; and

1370 (iv) Submit sufficient proof that if an owner,
1371 board member, officer or anyone with an economic interest in the
1372 entity has or had a professional or occupational license, that the
1373 license is in good standing.

1374 (11) Applicants for cannabis cultivation facility licenses
1375 and cannabis processing facility licenses shall both meet the
1376 minimum qualifications in subsection (10) of this section and
1377 shall also submit sufficient proof of the following:

1378 (a) If a natural person, proof that the person has been
1379 a resident of the State of Mississippi and a citizen of the United
1380 States of America for at least three (3) years prior to the
1381 application date; or

1382 (b) If a business entity, proof that at least
1383 thirty-five percent (35%) of the equity ownership interests in the
1384 entity are held by individuals who have been residents of the
1385 State of Mississippi and citizens of the United States of America



1386 for at least three (3) consecutive years prior to the application
1387 date.

1388 This subsection (11) shall stand repealed on December 31,
1389 2022.

1390 (12) A micro-cultivator or a micro-processor shall both meet
1391 the minimum qualifications in subsection (10) of this section and
1392 shall also submit sufficient proof of the following:

1393 (a) If a natural person, proof that the person has been
1394 a resident of the State of Mississippi and a citizen of the United
1395 States of America for at least three (3) years prior to the
1396 application date; or

1397 (b) If a business entity, provide proof that:

1398 (i) It was registered as an entity with the
1399 Secretary of State in Mississippi; and

1400 (ii) One-hundred percent (100%) of the equity
1401 ownership interests in the entity are held by individuals who have
1402 been residents of the State of Mississippi and citizens of the
1403 United States of America for at least three (3) consecutive years
1404 prior to the application date.

1405 (13) For purposes of this section, it shall be sufficient to
1406 prove Mississippi residency for the individual(s) to submit two
1407 (2) of the following source documents:

1408 (a) Mississippi Tax Return Form 80-105 or Form 80-205
1409 for each of the three (3) years preceding the application without
1410 schedules, worksheets, or attachments, and redacted to remove all



1411 financial information and all but the last four (4) digits of the
1412 individual's social security number for the three (3) years
1413 preceding the application;

1414 (b) Ownership, lease, or rental documents for place of
1415 primary domicile for the three (3) years preceding the
1416 application;

1417 (c) Billing statements, including utility bills for the
1418 three (3) years preceding the application; or

1419 (d) Vehicle registration for the three (3) years
1420 preceding the application.

1421 (14) Ownership in a cannabis cultivation facility license,
1422 cannabis processing facility license or a medical cannabis
1423 dispensary license or investment in a business that supports or
1424 benefits from such a license shall not disqualify or otherwise
1425 negatively impact the license or finding of suitability of such
1426 owner who is otherwise engaged in any other form of business
1427 operation in the state, if such business requires the owner to
1428 hold a license or be found suitable under state law.

1429 (15) Any business or state entity applying for registration
1430 as a medical cannabis establishment must meet all the requirements
1431 specified in this chapter.

1432 (16) A prospective medical cannabis establishment shall
1433 submit all of the following:

1434 (a) An application, including:



1435 (i) The legal name of the prospective medical
1436 cannabis establishment;

1437 (ii) The physical address of the prospective
1438 medical cannabis establishment, which shall not be within one
1439 thousand (1,000) feet of the nearest property boundary line of a
1440 school, church or child care facility which exists or has acquired
1441 necessary real property for the operation of such facility before
1442 the date of the medical cannabis establishment application unless
1443 the entity has received approval from the school, church or child
1444 care facility and received the applicable waiver from their
1445 licensing agency, provided that the main point of entry of the
1446 cannabis establishment is not located within five hundred (500)
1447 feet of the nearest property boundary line of any school, church
1448 or child care facility;

1449 (iii) The name of each principal officer and board
1450 member of the proposed medical cannabis establishment; and

1451 (iv) Any additional information requested by the
1452 MDOR and MDOH.

1453 (b) Operating procedures consistent with rules and
1454 regulations for oversight of the proposed medical cannabis
1455 establishment, including procedures to ensure accurate record
1456 keeping and adequate security measures.

1457 (c) If the municipality or county where the proposed
1458 medical cannabis establishment would be located has enacted zoning
1459 restrictions, a sworn statement certifying that the proposed



1460 medical cannabis establishment is in compliance with the
1461 restrictions.

1462 (d) If the municipality or county where the proposed
1463 medical cannabis establishment would be located requires a local
1464 registration, license or permit, then proof of receiving such
1465 registration, license or permit.

1466 (e) If the application is on behalf of an entity,
1467 verification that none of the principal officers or board members
1468 have served as a principal officer or board member for a medical
1469 cannabis establishment that has had its license revoked.

1470 (f) If the application is on behalf of an entity,
1471 verification that none of the principal officers or board members
1472 is under twenty-one (21) years of age.

1473 (17) The MDOR and MDOH shall issue a renewal registration
1474 certificate within ten (10) days of receipt of the prescribed
1475 renewal application and renewal fee from a medical cannabis
1476 establishment if its license is not under suspension and has not
1477 been revoked.

1478 (18) A licensing agency shall require disclosure only of
1479 persons, entities or affiliated entities who directly or
1480 indirectly own ten percent (10%) or more of a medical cannabis
1481 establishment issued a license by the licensing agency.

1482 (19) Otherwise eligible applicants for licenses to operate
1483 as medical cannabis establishments under this chapter shall not be
1484 disqualified from receipt of a license based on:



1485 (a) Their location on Mississippi Choctaw Indian
1486 Reservation Lands; or

1487 (b) The involvement of the Mississippi Band of Choctaw
1488 Indians or any entity owned or operated by the Mississippi Band of
1489 Choctaw Indians as an owner or co-owner of such license, provided
1490 that such license shall be subject to revocation for material
1491 noncompliance with this chapter on the same basis as any other
1492 license.

1493 (20) A cannabis processing facility that produces edible
1494 cannabis products shall hold a permit to operate as a food
1495 establishment and shall comply with all applicable requirements
1496 for food establishments as set by the MDOH.

1497 (21) Denial of an application or renewal is considered a
1498 final MDOH or MDOR action, subject to judicial review in
1499 accordance with Section 31 of this act.

1500 **SECTION 19. Local ordinances.** (1) A municipality or county
1501 may enact ordinances or regulations not in conflict with this
1502 chapter, or with regulations enacted under this chapter, governing
1503 the time, place, and manner of medical cannabis establishment
1504 operations in the locality. A municipality or county may
1505 establish penalties for violation of an ordinance or regulation
1506 governing the time, place and manner of a medical cannabis
1507 establishment that may operate in the municipality or county.

1508 (2) No municipality or county may prohibit dispensaries
1509 either expressly or through the enactment of ordinances or



1510 regulations that make their operation impracticable in the
1511 jurisdiction. The main point of entry of a medical cannabis
1512 establishment shall not be located within one thousand (1,000)
1513 feet of the nearest property boundary line of any school, church
1514 or child care facility. A medical cannabis establishment may
1515 receive a waiver to this distance restriction by receiving
1516 approval from the school, church or child care facility and by
1517 applying for a waiver with its respective licensing agency,
1518 provided that the main point of entry of the cannabis
1519 establishment is not located within five hundred (500) feet of the
1520 nearest property boundary line of any school, church or child care
1521 facility.

1522 (3) A dispensary, cannabis research facility or cannabis
1523 testing facility may be located in any area in a municipality or
1524 county that is zoned as commercial or for which commercial use is
1525 otherwise authorized or not prohibited, provided that it being
1526 located there does not violate any other provisions of this
1527 chapter. A cannabis cultivation facility and/or cannabis
1528 processing facility may be located in any area in a municipality
1529 or county that is zoned as agricultural or industrial or for which
1530 agricultural or industrial use is otherwise authorized or not
1531 prohibited, provided that it being there does not violate any
1532 other provision of this chapter. A cannabis cultivation facility
1533 and/or cannabis processing facility may be located in any area in
1534 a municipality or county that is zoned as commercial or for which



1535 commercial use is otherwise authorized or not prohibited, provided
1536 that the municipality or county has authorized the entity to be
1537 located in such area and that it being there does not violate any
1538 other provision of this chapter. The municipality or county may
1539 authorize this by granting a variance to an existing zoning
1540 ordinance or by adopting a change in the zoning ordinance that
1541 allows for those entities to be located in specific commercial
1542 areas.

1543 (4) A municipality or county may require a medical cannabis
1544 establishment to obtain a local license, permit or registration to
1545 operate, and may charge a reasonable fee for the local license,
1546 permit or registration, provided that this fee is consistent with
1547 fees charged to businesses that are not involved in the cannabis
1548 industry.

1549 (5) No medical cannabis dispensary may be located within a
1550 one-thousand-five-hundred-feet radius from the main point of entry
1551 of the dispensary to the main point of entry of another medical
1552 cannabis dispensary. If the sole basis of denial by the licensing
1553 agency in refusing to issue the medical cannabis dispensary a
1554 license to operate is that the dispensary fails the distance
1555 requirement of this subsection (5), then the licensing agency may
1556 refund all or part of the license application fee in Section 18(5)
1557 of this act to the applicant.

1558 **SECTION 20. Requirements, prohibitions and penalties.** (1)

1559 Medical cannabis establishments shall conduct a background check



1560 into the criminal history of every person seeking to become a
1561 principal officer, board member, agent, volunteer, or employee
1562 before the person begins working at or for the medical cannabis
1563 establishment.

1564 (2) A medical cannabis establishment may not employ any
1565 person who:

1566 (a) Was convicted of a disqualifying felony offense;
1567 or

1568 (b) Is under twenty-one (21) years of age.

1569 (3) The operating documents of a medical cannabis
1570 establishment must include procedures for the oversight of the
1571 medical cannabis establishment and procedures to ensure accurate
1572 record keeping and adequate security measures.

1573 (4) A medical cannabis establishment shall implement
1574 appropriate security measures designed to deter and prevent the
1575 theft of medical cannabis and unauthorized entrance into areas
1576 containing medical cannabis.

1577 (5) All cultivation, harvesting, processing and packaging of
1578 medical cannabis must take place in an enclosed, locked and secure
1579 facility with a physical address provided to the MDOH during the
1580 licensing and registration process. The facility shall be
1581 equipped with locks or other security devices that permit access
1582 only by agents of the medical cannabis establishment, emergency
1583 personnel or adults who are twenty-one (21) years of age and older
1584 and who are accompanied by medical cannabis establishment agents.



1585 (6) No medical cannabis establishment other than a cannabis
1586 processing facility or cannabis research facility may produce
1587 cannabis concentrates, cannabis extractions, or other cannabis
1588 products.

1589 (7) A medical cannabis establishment may not share office
1590 space with or refer patients to a practitioner.

1591 (8) Medical cannabis establishments are subject to
1592 inspection by the MDOR and MDOH during business hours.

1593 (9) Before medical cannabis may be dispensed to a
1594 cardholder, a dispensary agent must:

1595 (a) Require that the individual present a registry
1596 identification card;

1597 (b) Make a diligent effort to verify that the registry
1598 identification card presented to the dispensary is valid;

1599 (c) Make a diligent effort to verify that the person
1600 presenting the registry identification card is the person
1601 identified on the registry identification card presented to the
1602 dispensary agent; and

1603 (d) Not believe that the amount of medical cannabis
1604 dispensed would cause the person to possess more than the
1605 allowable amount of medical cannabis.

1606 (10) A medical cannabis establishment shall not sell more
1607 than the allowable amount of medical cannabis to a cardholder. A
1608 resident cardholder shall not obtain more than a total of six (6)
1609 MMCEUs of allowable medical cannabis in a week from a dispensary



1610 or a combination of dispensaries. A resident cardholder shall not
1611 obtain more than a total of twenty-four (24) MMCEUs of allowable
1612 medical cannabis in thirty (30) days from a dispensary or a
1613 combination of dispensaries.

1614 The possession limit for resident cardholders of the
1615 allowable amount of medical cannabis shall be a total of
1616 twenty-eight (28) MMCEUs. There shall not be a possession limit
1617 on nonconsumable medical cannabis, including, but not limited to,
1618 suppositories, ointments, soaps, and lotions or other topical
1619 agents.

1620 (11) For purposes of this chapter, total THC is defined as
1621 THCA multiplied by .877 plus THC Delta 9 and all other
1622 psychoactive forms or isomers of THC added together. A medical
1623 cannabis establishment shall not sell cannabis flower or trim that
1624 has a potency of greater than thirty percent (30%) total THC. A
1625 medical cannabis dispensary shall not sell cannabis tinctures,
1626 oils or concentrates that have a potency of greater than sixty
1627 percent (60%) total THC. Cannabis products that have a potency of
1628 over thirty percent (30%) total THC shall be clearly labeled as
1629 "extremely potent." Edible cannabis products, including food or
1630 drink products, that have been combined with usable cannabis or
1631 cannabis products shall be physically demarked and labeled with a
1632 clear determination of how much total THC is in a single-serving
1633 size and how much THC is in the entire package.



1634 A medical cannabis product shall contain a notice of harm
1635 regarding the use of cannabis products. Edible cannabis products
1636 shall be homogenized to ensure uniform disbursement of
1637 cannabinoids throughout the product. All molded edible cannabis
1638 products shall be presented in the form of geometric shapes and
1639 shall not be molded to contain any images or characters designed
1640 or likely to appeal to minors, such as cartoons, toys, animals or
1641 children.

1642 (12) A dispensary may not dispense more than the allowable
1643 amount of cannabis to a registered qualifying patient or a
1644 nonresident cardholder, directly or via a registered designated
1645 caregiver. Dispensaries shall ensure compliance with this
1646 limitation by maintaining internal, confidential records that
1647 include records specifying how much medical cannabis is being
1648 dispensed to the registered qualifying patient or nonresident
1649 cardholder and whether it was dispensed directly to a registered
1650 qualifying patient, nonresident cardholder or to the registered
1651 designated caregiver.

1652 (13) A nonresident cardholder shall not obtain more than a
1653 total of six (6) MMCEUs of allowable medical cannabis in a week
1654 from a dispensary or a combination of dispensaries. A nonresident
1655 cardholder shall not obtain more than a total of twelve (12)
1656 MMCEUs of allowable cannabis from a dispensary or a combination of
1657 dispensaries in a fifteen-day period.



1658 (14) A nonresident may apply to receive a nonresident
1659 registry identification card up to thirty (30) days before
1660 arriving in Mississippi. A nonresident registry identification
1661 card shall be valid for fifteen (15) days. After the expiration
1662 of the card, a nonresident may apply for a renewal of the card and
1663 may be granted another card which shall be valid for another
1664 fifteen-day period. A nonresident registry identification card
1665 shall only be valid, at a maximum, for two (2) separate periods of
1666 fifteen (15) days in a three-hundred-sixty-five-day period. An
1667 applicant may indicate on his or her application the specific time
1668 period that he or she wishes for the card to be valid. The
1669 possession limit of the allowable amount of medical cannabis for
1670 nonresident cardholders shall be fourteen (14) MMCEUs.

1671 (15) A medical cannabis dispensary agent or employee shall
1672 not issue a written certification. Employees and agents of a
1673 medical cannabis dispensary shall complete at least eight (8)
1674 hours of continuing education in medical cannabis as regulated by
1675 the MDOR in order to be certified to work at a medical cannabis
1676 dispensary. After the first year of employment, these employees
1677 shall complete five (5) hours of continuing education in medical
1678 cannabis annually to maintain this certification.

1679 (16) Notwithstanding any other provision to the contrary, a
1680 patient with a debilitating medical condition who is between
1681 eighteen (18) years to twenty-five (25) years of age is not
1682 eligible for a medical cannabis registry identification card



1683 unless two (2) practitioners from separate medical practices have
1684 diagnosed the patient as having a debilitating medical condition
1685 after an in-person consultation. One (1) of these practitioners
1686 must be a physician or doctor of osteopathic medicine.

1687 If one (1) of the recommending practitioners is not the
1688 patient's primary care practitioner, the recommending practitioner
1689 shall review the records of a diagnosing practitioner. The
1690 requirement that the two (2) practitioners be from separate
1691 medical practices does not apply if the patient is homebound or if
1692 the patient had a registry identification card before the age of
1693 eighteen (18).

1694 (17) A medical cannabis establishment shall not allow an
1695 individual who is younger than twenty-one (21) years old to enter
1696 the premises of the establishment unless the individual possesses
1697 a registry identification card and is accompanied by his or her
1698 legal guardian.

1699 (18) A medical cannabis establishment shall only purchase,
1700 grow, cultivate, and use cannabis that is grown and cultivated in
1701 this state. Any medical cannabis that is grown and cultivated in
1702 this state shall not be transported outside of this state.

1703 (19) Employees of all medical cannabis establishments shall
1704 apply for a work permit with the MDOH and MDOR, as applicable,
1705 before beginning employment with any establishment. The licensing
1706 agency for the respective medical cannabis establishment may issue
1707 work permits to these individuals. These licensing agencies shall



1708 maintain a work registry of all applicants and work permits
1709 issued. The fee for a work permit shall be Twenty-five Dollars
1710 (\$25.00) and the permit shall be valid for five (5) years. Work
1711 permits shall be the property of the employee and shall not be
1712 transferable to other employees.

1713 (20) For purposes of this subsection, "plant growth
1714 regulator cannabis" shall mean a cannabis plant whose growth and
1715 structure has been modified using plant growth hormones. A
1716 cannabis cultivation facility shall not cultivate and a cannabis
1717 dispensary shall not sell, transfer or provide for consumption
1718 plant growth regulator cannabis.

1719 (21) A medical cannabis dispensary shall only make sales to
1720 cardholders inside the dispensary. A medical cannabis dispensary
1721 shall not sell or otherwise convey medical cannabis to a
1722 cardholder through the means of a drive-through, curbside delivery
1723 or other delivery outside the premises of the dispensary.

1724 (22) Any and all contracts or agreements entered into by the
1725 MDOH and MDOR for information technology software, hardware,
1726 and/or services for the purpose of implementing and/or operating
1727 under the Mississippi Medical Cannabis Act shall include language
1728 reasonably limiting the ability of the vendor to escalate the
1729 ongoing cost of such software, hardware, and/or services during
1730 the term of the contract, including any amendments and/or
1731 extensions.



(23) The MDOR and MDOH shall not share the name, address or personal data of a registry identification cardholder to any federal government entity.

SECTION 21. Agencies to issue rules and regulations. (1)

From and after the effective date of this act, the MDOH and MDOR shall each, where relevant to the role of that particular agency, establish and promulgate the following rules and regulations:

(a) Governing the manner in which it shall consider petitions from the public to add debilitating medical conditions or treatments to the list of debilitating medical conditions set forth in Section 2 of this act, including public notice of and opportunities to comment in public hearings on the petitions;

(b) Establishing the form and content of license and renewal applications and written certifications submitted under this chapter;

(c) Governing the manner in which it shall consider applications for and renewals of registry identification cards, which may include creating a standardized written certification form;

(d) Governing medical cannabis establishments with the goals of ensuring the health and safety of registered qualifying patients and preventing diversion and theft of medical cannabis without imposing an undue burden or compromising the confidentiality of cardholders, including:

(i) Oversight requirements;



1757 (ii) Recordkeeping requirements;
1758 (iii) Qualifications that are directly and
1759 demonstrably related to the operation of medical cannabis
1760 establishments;
1761 (iv) Security requirements, including lighting,
1762 physical security, and alarm requirements;
1763 (v) Health and safety regulations, including
1764 restrictions on the use of pesticides, herbicides or other
1765 chemicals that are injurious to human health;
1766 (vi) Standards for the processing of cannabis
1767 products and the indoor cultivation of cannabis by cannabis
1768 cultivation facilities;
1769 (vii) Requirements for the transportation and
1770 storage of cannabis by medical cannabis establishments;
1771 (viii) Employment and training requirements,
1772 including requiring that each medical cannabis establishment
1773 create an identification badge for each agent of the
1774 establishment;
1775 (ix) Standards for the safe processing of medical
1776 cannabis products, including extracts and concentrates;
1777 (x) Restrictions on the advertising, signage, and
1778 display of medical cannabis, provided that the restrictions may
1779 not prevent appropriate signs on the property of a dispensary,
1780 listings in business directories, including phone books, listings



1781 in cannabis-related or medical publications, or the sponsorship of
1782 health or not-for-profit charity or advocacy events;

1783 (xi) Requirements and procedures for the safe and
1784 accurate packaging and labeling of medical cannabis, including
1785 prohibiting the use of any images designed or likely to appeal to
1786 minors, such as cartoons, packaging that resembles popular candy
1787 brands, toys, animals or children, or any other likeness or image
1788 containing characters or phrases to advertise to minors;

1789 (xii) Standards for cannabis testing facilities,
1790 including requirements for equipment and qualifications for
1791 personnel;

1792 (xiii) Protocol development for the safe delivery
1793 of medical cannabis from dispensaries to cardholders;

1794 (xiv) Reasonable requirements to ensure the
1795 applicant has sufficient property or capital to operate the
1796 applicant's proposed medical cannabis establishment;

1797 (xv) Procedures for suspending or terminating the
1798 licenses or registry identification cards of cardholders and
1799 medical cannabis establishments that commit multiple or serious
1800 violations of the provisions of this chapter or the rules and
1801 regulations promulgated pursuant to this section;

1802 (xvi) Procedures for the selection, certification
1803 and oversight of a seed-to-sale tracking system as provided for in
1804 Section 6 of this act;



1805 (xvii) Requirements for labeling medical cannabis
1806 and cannabis products, including requiring medical cannabis
1807 product labels to include the following:

1808 1. The length of time it typically takes for
1809 the product to take effect;

1810 2. Disclosure of ingredients and possible
1811 allergens;

1812 3. A nutritional fact panel;

1813 4. The amount of THC and CBD in the product;

1814 5. A notice of the potential harm caused by
1815 consuming medical cannabis; and

1816 6. For edible cannabis products, when
1817 practicable, a standard symbol indicating that the product
1818 contains cannabis;

1819 (xviii) Procedures for the registration of
1820 nonresident cardholders, which must require the submission of:

1821 1. A practitioner's statement confirming that
1822 the patient has a debilitating medical condition; and

1823 2. Documentation demonstrating that the
1824 nonresident cardholder is allowed to possess medical cannabis or
1825 cannabis preparations in the jurisdiction where he or she resides;

1826 (xix) The amount of cannabis products, including
1827 the amount of concentrated cannabis, each cardholder and
1828 nonresident cardholder can possess;



1829 (xx) Reasonable application and renewal fees for
1830 registry identification cards and registration certificates,
1831 according to the following:

1832 1. The fee schedule shall be set as follows:

1833 a. The qualifying patient registry
1834 identification card application fee shall be Twenty-five Dollars
1835 (\$25.00);

1836 b. The designated caregiver registry
1837 identification card application fee shall be Twenty-five Dollars
1838 (\$25.00);

1839 c. The designated caregiver criminal
1840 background fee shall be Thirty-seven Dollars (\$37.00);

1841 d. The fee for a renewal or replacement
1842 of a card shall be Twenty-five Dollars (\$25.00);

1843 e. The fee for a card for a nonresident
1844 patient shall be Seventy-five Dollars (\$75.00);

1845 f. The qualifying patient registry
1846 identification card application fee for a Medicaid participant
1847 shall be Fifteen Dollars (\$15.00) and the fee for a renewal of
1848 such card shall be Fifteen Dollars (\$15.00); and

1849 g. The application fee for a qualifying
1850 patient registry identification card for disabled veterans or
1851 disabled first responders shall be waived. A disabled veteran or
1852 first responder may prove their disability by providing written
1853 documentation from their practitioner attesting to their



debilitating medical condition, documentation from the Social Security Disability Office, or documentation that attests the applicant is a one-hundred percent (100%) disabled veteran as determined by the U.S. Department of Veteran Affairs and codified at 38 C.F.R., Section 3.340(a) (2013); and

2. The MDOH may accept donations from private sources to reduce the amount of the application and renewal fees;

(xxi) Any other rules and regulations necessary to implement and administer this chapter.

(2) The initial rules filed by the MDOH to implement the medical cannabis program in accordance with this chapter shall be effective immediately upon their filing.

SECTION 22. Public registry. (1) The MDOH and MDOR shall jointly create and maintain a public registry of medical cannabis establishments, which shall include, but shall not be limited to, the following information:

(a) The name of the establishment;

(b) The owner and, if applicable, the beneficial owner of the establishment;

(c) The physical address, including municipality and zip code, of the establishment;

(d) The mailing address, including municipality and zip code, of the establishment;

(e) The county in which the establishment is domiciled;

(f) The phone number of the establishment;



1879 (g) The electronic mail address of the establishment;
1880 (h) The license number of the establishment;
1881 (i) The issuance date of the establishment's license;
1882 (j) The expiration date of the establishment's license;
1883 (k) The NAICS code of the establishment;
1884 (l) Any changes to the license holder's status; and
1885 (m) Any other information determined necessary by the
1886 MDOH and MDOR.

1887 (2) The public registry shall not include personal
1888 information of an owner of a medical cannabis establishment.

1889 (3) The public registry shall be maintained electronically
1890 and shall be easily accessible to the public.

1891 **SECTION 23. Violations.** (1) It shall be unlawful for any
1892 person or entity to cultivate, process, transport, use, possess,
1893 purchase, sell or transfer cannabis except as authorized by this
1894 chapter.

1895 (2) A cardholder or medical cannabis establishment that
1896 purposely or knowingly fails to provide a notice required by
1897 Section 16 of this act is guilty of a civil offense, punishable by
1898 a fine of no more than One Thousand Five Hundred Dollars
1899 (\$1,500.00), which may be assessed and collected by the licensing
1900 agency.

1901 (3) A medical cannabis establishment or an agent of a
1902 medical cannabis establishment that purposely, knowingly, or
1903 recklessly sells or otherwise transfers medical cannabis other



1904 than to a cardholder, a nonresident cardholder, or to a medical
1905 cannabis establishment or its agent as authorized under this
1906 chapter is guilty of a felony punishable by a fine of not more
1907 than Ten Thousand Dollars (\$10,000.00), or by commitment to the
1908 custody of the Department of Corrections for not more than two (2)
1909 years, or both. A person convicted under this subsection may not
1910 continue to be affiliated with the medical cannabis establishment
1911 and is disqualified from further participation in the medical
1912 cannabis program under this chapter.

1913 (4) A cardholder or nonresident cardholder who purposely,
1914 knowingly, or recklessly sells or otherwise transfers medical
1915 cannabis to a person or other entity is guilty of a felony
1916 punishable by a fine of not more than Three Thousand Dollars
1917 (\$3,000.00), or by commitment to the custody of the Department of
1918 Corrections for not more than two (2) years, or both. A person
1919 convicted under this subsection is disqualified from further
1920 participation in the medical cannabis program under this chapter.

1921 (5) A person who purposely, knowingly, or recklessly makes a
1922 false statement to a law enforcement official about any fact or
1923 circumstance relating to the medical use of cannabis to avoid
1924 arrest or prosecution is guilty of a misdemeanor punishable by a
1925 fine of not more than One Thousand Dollars (\$1,000.00), by
1926 imprisonment in the county jail for not more than ninety (90)
1927 days, or both. If a person convicted of violating this subsection



is a cardholder, the person is disqualified from further participation in the medical cannabis program under this chapter.

(6) A person who purposely submits false records or documentation for an application for a license for a medical cannabis establishment under this chapter is guilty of a felony punishable by a fine of not more than Five Thousand Dollars (\$5,000.00), or by commitment to the custody of the Department of Corrections for not more than two (2) years, or both. A person convicted under this subsection may not continue to be affiliated with the medical cannabis establishment and is disqualified from further participation in the medical cannabis program under this chapter.

(7) A practitioner who purposely refers patients to a specific medical cannabis establishment or to a registered designated caregiver, who advertises in a medical cannabis establishment, or who issues written certifications while holding a financial interest in a medical cannabis establishment, is guilty of a civil offense for every false certification and shall be fined up to Five Thousand Dollars (\$5,000.00) by the MDOH.

(8) Any person, including an employee or official of an agency or local government, who purposely, knowingly, or recklessly breaches the confidentiality of information obtained under this chapter is guilty of a misdemeanor punishable by a fine of not more than One Thousand Dollars (\$1,000.00), or by



1952 imprisonment for not more than one hundred eighty (180) days in
1953 the county jail, or both.

1954 (9) No person, other than a cannabis processing facility or
1955 its agents, complying with this chapter and the rules and
1956 regulations promulgated under it, may extract compounds from
1957 cannabis that involves a chemical extraction process using a
1958 nonhydrocarbon-based or other solvent, such as water, vegetable
1959 glycerin, vegetable oils, animal fats, steam distillation,
1960 food-grade ethanol, or hydrocarbon-based solvent carbon dioxide.
1961 No person may extract compounds from cannabis using ethanol in the
1962 presence or vicinity of an open flame. It shall be a felony
1963 punishable by commitment to the custody of the Mississippi
1964 Department of Corrections for up to three (3) years and a Ten
1965 Thousand Dollar (\$10,000.00) fine for any person to purposely,
1966 knowingly, or recklessly violate this subsection.

1967 (10) A medical cannabis establishment is guilty of a civil
1968 offense for any purposeful, knowing or reckless violation of this
1969 chapter or the rules and regulations issued under this chapter
1970 where no penalty has been specified, and shall be fined not more
1971 than Five Thousand Dollars (\$5,000.00) for each such violation by
1972 its licensing agency.

1973 (11) The penalties provided for under this section are in
1974 addition to any other criminal, civil or administrative penalties
1975 provided for under law, rule or regulation.



(12) In addition to peace officers within their jurisdiction, all law enforcement officers of MDOH and MDOR may enforce the provisions made unlawful by this chapter.

SECTION 24. Fines, suspensions and revocations. (1) The licensing agency may fine, suspend or revoke a license at its discretion for a violation of this chapter or any rules and regulations under this chapter by the licensee or any of its employees or agents. If a licensee wishes to appeal this decision, the licensee shall file its administrative appeal within twenty (20) days of receipt of the initial notice. The licensing agency shall then conduct a hearing on the record pursuant to the licensing agency's rules and regulations governing such hearings, at which time the burden shall be on the licensee to prove that the agency's decision was:

- (a) Unsupported by substantial evidence;
- (b) Arbitrary or capricious;
- (c) Beyond the power of the administrative agency to make; or
- (d) Violated some statutory or constitutional right of the aggrieved party.

If the licensee fails to appeal the initial notice within the prescribed time, the decision becomes final and cannot be further appealed.

(2) The licensing agency shall provide its initial notice of suspension, revocation, fine or other sanction by personal



2001 delivery or mailing by certified mail, signature required, to the
2002 medical cannabis establishment at the address on the registration
2003 certificate. A suspension shall not be for a longer period than
2004 six (6) months.

2005 (3) A medical cannabis establishment may continue to possess
2006 and cultivate cannabis as otherwise authorized to do so under its
2007 license during a suspension, but it may not dispense, transfer or
2008 sell cannabis.

2009 (4) The MDOH shall immediately revoke the registry
2010 identification card of any cardholder who sells or otherwise
2011 transfers medical cannabis to a person or other entity, and the
2012 cardholder shall be disqualified from further participation in the
2013 medical cannabis program under this chapter.

2014 (5) Except as otherwise provided in subsection (4) of this
2015 section, the MDOH may revoke the registry identification card of
2016 any cardholder who knowingly commits a violation of this chapter.

2017 (6) The hearing decision of the agency on a revocation,
2018 suspension or fine is a final decision of the applicable agency
2019 subject to judicial review in accordance with Section 31 of this
2020 act.

2021 (7) No license issued by the MDOH or MDOR shall be
2022 transferred by the license holder to any other person or entity
2023 except with the written consent of the applicable licensing
2024 agency.



SECTION 25. Confidentiality.

(1) Data in license and registration applications and supporting data submitted by registered qualifying patients, registered designated caregivers, medical cannabis establishments and nonresident cardholders, including data on registered designated caregivers and practitioners, shall be considered private data on individuals that is confidential and exempt from disclosure under the Mississippi Public Records Act of 1983, Sections 25-61-1 through 25-61-17.

(2) Data kept or maintained by an agency shall not be used for any purpose not provided for in this chapter and shall not be combined or linked in any manner with any other list or database.

(3) Data kept or maintained by an agency may be disclosed as necessary for:

(a) The verification of registration certificates and registry identification cards under this chapter;

(b) Submission of the annual report required by this chapter;

(c) Notification of state or local law enforcement of apparent criminal violations of this chapter;

(d) Notification of state and local law enforcement about falsified or fraudulent information submitted for purposes of obtaining or renewing a registry identification card; or

(e) Notification of the State Board of Medical Licensure or other occupational or professional licensing board or



entity if there is reason to believe that a practitioner provided a written certification in violation of this chapter, or if the MDOH has reason to believe the practitioner otherwise violated the standard of care for evaluating medical conditions.

(4) Any information kept or maintained by medical cannabis establishments must identify cardholders by their registry identification numbers and must not contain names or other personally identifying information.

(5) At a cardholder's request, the MDOH may confirm the cardholder's status as a registered qualifying patient or a registered designated caregiver to a third party, such as a landlord, school, medical professional, or court.

(6) Any agency hard drives or other data-recording media that are no longer in use and that contain cardholder information shall be destroyed.

SECTION 26. Business expenses, deductions. Notwithstanding any federal tax law to the contrary, in computing net income for medical cannabis establishments, there shall be allowed as a deduction from income taxes imposed under Section 27-7-5, Mississippi Code of 1972, all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on a trade or business as a medical cannabis establishment, including reasonable allowance for salaries or other compensation for personal services actually rendered.



2074 **SECTION 27. Banks to be held harmless.** (1) A bank may

2075 provide any services to any person or entity licensed in this
2076 state to engage in the business of medical cannabis, or with any
2077 person or entity engaging in business dealings with such licensee,
2078 if the bank provides those services to any other business.

2079 (2) A bank and its officers, directors, agents and employees
2080 shall not be held liable pursuant to any state law or regulation
2081 solely for:

2082 (a) Providing financial services to a licensed medical
2083 cannabis establishment; or

2084 (b) Investing any income derived from providing
2085 financial services to a licensed medical cannabis establishment.

2086 (3) Nothing in this section shall require a bank to provide
2087 financial services to a licensed medical cannabis establishment.

2088 **SECTION 28. Not applicable to CBD solution.** This chapter
2089 does not apply to or supersede any of the provisions of Section
2090 41-29-136.

2091 **SECTION 29. Medical cannabis taxes.** (1) (a) For purposes
2092 of this section:

2093 (i) "Cannabis cultivation facility," "dispensary,"
2094 "medical cannabis" and "medical cannabis establishments" shall be
2095 defined as provided in Section 2 of this act.

2096 (ii) "Cannabis flower" means the flower, including
2097 abnormal and immature flowers, of a plant of the genus cannabis
2098 that has been harvested, dried and cured, and prior to any



2099 processing whereby the flower material is transformed into a
2100 cannabis product. "Cannabis flower" does not include the leaves
2101 or stem of such plant or hemp.

2102 (iii) "Cannabis trim" means all parts, including
2103 abnormal or immature parts, of a plant of the genus cannabis,
2104 other than cannabis flower, that have been harvested, dried and
2105 cured, and prior to any processing whereby the plant material is
2106 transformed into a cannabis product. "Cannabis trim" does not
2107 include hemp.

2108 (2) (a) There is hereby imposed, levied and assessed an
2109 excise tax on medical cannabis cultivation facilities. A cannabis
2110 cultivation facility shall collect and remit an excise tax on
2111 forms and in a manner specified by the Commissioner of Revenue.

2112 (b) The excise tax on cannabis cultivation facilities
2113 shall be based on the sales price for which a cannabis cultivation
2114 facility first sells cannabis flower or cannabis trim, as the case
2115 may be, to a medical cannabis establishment, and the rate of the
2116 excise tax shall be five percent (5%) of such sales price.

2117 However, if there is common ownership or other interest between
2118 the cannabis cultivation facility and the medical cannabis
2119 establishment to which the cannabis cultivation facility first
2120 sells or transfers the cannabis flower or cannabis trim, as the
2121 case may be, the excise tax shall be based on the fair market
2122 value of the cannabis flower or cannabis trim, as the case may be,
2123 at the time that the cannabis cultivation facility first sells or



2124 transfers the cannabis flower or cannabis trim to the medical
2125 cannabis establishment, and the rate of the excise tax shall be
2126 five percent (5%) of such fair market value. The fair market
2127 value of cannabis flower and cannabis trim shall initially be
2128 determined by the MDOR not later than November 1, 2022. Beginning
2129 January 1, 2023, the MDOR shall recalculate and adjust the fair
2130 market value of cannabis flower and cannabis trim twice per
2131 calendar year on January 1 and July 1.

2132 (c) The excise tax imposed by this subsection shall
2133 apply regardless of the ownership of the medical cannabis
2134 establishment to which the cannabis cultivation facility sells or
2135 transfers the cannabis flower or cannabis trim, as the case may
2136 be.

2137 (d) All administrative provisions of the sales tax law
2138 and amendments thereto, including those which fix damages,
2139 penalties and interest for nonpayment of taxes and for
2140 noncompliance with the provision of said sales tax law, and all
2141 other requirements and duties imposed upon a taxpayer, shall apply
2142 to all persons liable for taxes under the provisions of this
2143 subsection. The commissioner shall exercise all power and
2144 authority and perform all duties with respect to taxpayers under
2145 this subsection as are provided in said sales tax law, except
2146 where there is conflict, then the provisions of this subsection
2147 shall control.



(e) All excise taxes collected under the provisions of this subsection shall be deposited into the State General Fund.

(3) A dispensary, on forms and in a manner specified by the Commissioner of Revenue, shall collect and remit the sales tax levied in Section 27-65-17(1)(a) from the gross proceeds derived from each retail sale of medical cannabis.

SECTION 30. **Local government option.** (1) The cultivation, processing, sale and distribution of medical cannabis and cannabis products, as performed in accordance to the provisions of this chapter, shall be legal in every county and municipality of this state unless a county or municipality opts out through a vote by the board of supervisors of the county or governing authorities of the municipality, as applicable, within ninety (90) days after the effective date of this act. The governing authorities of the municipality or the board of supervisors of the county, as applicable, shall provide a notice in accordance with the Open Meetings Act (Section 25-41-1 et seq.) of its intent of holding a vote regarding opting out of allowing the cultivation, processing, sale and/or distribution of medical cannabis and cannabis products, as applicable. The governing authorities of the municipality or the board of supervisors of the county, as applicable, may opt out of allowing one or more of the following: cultivation, processing, sale or distribution of medical cannabis and cannabis products. The governing authorities of a municipality, by a vote entered upon their minutes, may opt out of



2173 allowing the cultivation, processing, sale and/or distribution of
2174 medical cannabis and cannabis products, as applicable, in the
2175 municipality. The board of supervisors of a county, by a vote
2176 entered upon its minutes, may opt out of allowing the cultivation,
2177 processing, sale and/or distribution of medical cannabis and
2178 cannabis products, as applicable, in the unincorporated areas of
2179 the county.

2180 (2) If the board of supervisors of a county or the governing
2181 authorities of a municipality do not opt out of allowing the
2182 cultivation, processing, sale and/or distribution of medical
2183 cannabis and cannabis products, as applicable, within ninety (90)
2184 days after the effective date of this act, then no vote by the
2185 board of supervisors or governing authorities, as applicable, may
2186 be held to so opt out, and the provisions of this chapter shall
2187 remain applicable and operative in the county or municipality, as
2188 applicable. If the board of supervisors of a county or governing
2189 authorities of a municipality have opted out of allowing the
2190 cultivation, processing, sale and/or distribution of medical
2191 cannabis and cannabis products, as applicable, then the board of
2192 supervisors or governing authorities of a municipality may later
2193 opt in regarding the same through a vote by the board of
2194 supervisors or governing authorities, as applicable, entered upon
2195 its or their minutes, or an election duly held according to
2196 subsection (3) or (4) of this section, as applicable.



2197 (3) (a) Upon presentation and filing of a proper petition
2198 requesting that the cultivation, processing, sale and/or
2199 distribution of medical cannabis and cannabis products, as
2200 applicable, be legal in the unincorporated areas of the county
2201 signed by at least twenty percent (20%) or fifteen hundred (1500),
2202 whichever number is the lesser, of the qualified electors of the
2203 county, it shall be the duty of the board of supervisors to call
2204 an election at which there shall be submitted to the qualified
2205 electors of the county the question of whether or not the
2206 cultivation, processing, sale and/or distribution of medical
2207 cannabis and cannabis products, as applicable, shall be legal in
2208 the unincorporated areas of such county as provided in this
2209 chapter. Such election shall be held and conducted by the county
2210 election commissioners on a date fixed by the order of the board
2211 of supervisors, which date shall not be more than sixty (60) days
2212 from the date of the filing of the petition. Notice thereof shall
2213 be given by publishing such notice once each week for at least
2214 three (3) consecutive weeks in some newspaper published in the
2215 county or if no newspaper be published therein, by such
2216 publication in a newspaper in an adjoining county and having a
2217 general circulation in the county involved. The election shall be
2218 held not earlier than fifteen (15) days from the first publication
2219 of such notice.

2220 (b) The election shall be held and conducted as far as
2221 may be possible in the same manner as is provided by law for the



2222 holding of general elections. The ballots used at the election
2223 shall contain a brief statement of the proposition submitted and,
2224 on separate lines, the words "I vote FOR allowing the cultivation,
2225 processing, sale and/or distribution of medical cannabis and
2226 cannabis products, as applicable, in the unincorporated areas of
2227 _____ [Name of County] ()" or "I vote AGAINST allowing the
2228 cultivation, processing, sale and/or distribution of medical
2229 cannabis and cannabis products, as applicable, in the
2230 unincorporated areas of _____ [Name of County] ()" with
2231 appropriate boxes in which the voters may express their choice.
2232 All qualified electors may vote by marking the ballot with a cross
2233 (x) or check (✓) mark opposite the words of their choice.

2234 (c) The election commissioners shall canvass and
2235 determine the results of the election and shall certify the same
2236 to the board of supervisors which shall adopt and spread upon its
2237 minutes an order declaring such results. If, in such election, a
2238 majority of the qualified electors participating therein vote in
2239 favor of allowing the cultivation, processing, sale and/or
2240 distribution of medical cannabis and cannabis products, as
2241 applicable, in the unincorporated areas of the county, this
2242 chapter shall be applicable and operative in the unincorporated
2243 areas of such county, and the cultivation, processing, sale and/or
2244 distribution of medical cannabis and cannabis products, as
2245 applicable, in the unincorporated areas of the county shall be
2246 lawful to the extent and in the manner permitted in this chapter.



2247 If, on the other hand, a majority of the qualified electors
2248 participating in the election vote against allowing the
2249 cultivation, processing, sale and/or distribution of medical
2250 cannabis and cannabis products, as applicable, then it shall be
2251 illegal to cultivate, process, sell and/or distribute medical
2252 cannabis and cannabis products, as applicable, in the
2253 unincorporated areas of the county. In either case, no further
2254 election shall be held in the county under the provisions of this
2255 section for a period of two (2) years from the date of the prior
2256 election and then only upon the filing of a petition requesting
2257 same signed by at least twenty percent (20%) or fifteen hundred
2258 (1500), whichever number is the lesser, of the qualified electors
2259 of the county as provided in this section.

2260 (4) (a) Upon presentation and filing of a proper petition
2261 requesting that the cultivation, processing, sale and/or
2262 distribution of medical cannabis and cannabis products, as
2263 applicable, be legal in the municipality signed by at least twenty
2264 percent (20%) or fifteen hundred (1500), whichever number is the
2265 lesser, of the qualified electors of the municipality, it shall be
2266 the duty of the governing authorities of the municipality to call
2267 an election at which there shall be submitted to the qualified
2268 electors of the municipality the question of whether or not the
2269 cultivation, processing, sale and/or distribution of medical
2270 cannabis and cannabis products, as applicable, shall be legal in
2271 the municipality as provided in this chapter. Such election shall



2272 be held and conducted on a date fixed by the order of the
2273 governing authorities of the municipality, which date shall not be
2274 more than sixty (60) days from the date of the filing of the
2275 petition. Notice thereof shall be given by publishing such notice
2276 once each week for at least three (3) consecutive weeks in some
2277 newspaper published in the municipality or if no newspaper be
2278 published therein, by such publication in a newspaper having a
2279 general circulation in the municipality involved. The election
2280 shall be held not earlier than fifteen (15) days from the first
2281 publication of such notice.

2282 (b) The election shall be held and conducted as far as
2283 may be possible in the same manner as is provided by law for the
2284 holding of municipal elections. The ballots used at the election
2285 shall contain a brief statement of the proposition submitted and,
2286 on separate lines, the words "I vote FOR allowing the cultivation,
2287 processing, sale and/or distribution of medical cannabis and
2288 cannabis products, as applicable, in _____ [Name of
2289 Municipality] ()" or "I vote AGAINST allowing the cultivation,
2290 processing, sale and/or distribution of medical cannabis and
2291 cannabis products, as applicable, in _____ [Name of
2292 Municipality] ()" with appropriate boxes in which the voters may
2293 express their choice. All qualified electors may vote by marking
2294 the ballot with a cross (x) or check (✓) mark opposite the words
2295 of their choice.



2296 (c) The election commissioners shall canvass and
2297 determine the results of the election and shall certify the same
2298 to the governing authorities which shall adopt and spread upon
2299 their minutes an order declaring such results. If, in such
2300 election, a majority of the qualified electors participating
2301 therein vote in favor of allowing the cultivation, processing,
2302 sale and/or distribution of medical cannabis and cannabis
2303 products, as applicable, this chapter shall be applicable and
2304 operative in such municipality and the cultivation, processing,
2305 sale, and/or distribution of medical cannabis and cannabis
2306 products, as applicable, therein shall be lawful to the extent and
2307 in the manner permitted in this chapter. If, on the other hand, a
2308 majority of the qualified electors participating in the election
2309 vote against allowing the cultivation, processing, sale and/or
2310 distribution of medical cannabis and cannabis products, as
2311 applicable, then it shall be illegal to cultivate, process, sell
2312 and/or distribute medical cannabis and cannabis products, as
2313 applicable, in the municipality. In either case, no further
2314 election shall be held in the municipality under the provisions of
2315 this section for a period of two (2) years from the date of the
2316 prior election and then only upon the filing of a petition
2317 requesting same signed by at least twenty percent (20%) or fifteen
2318 hundred (1500), whichever number is the lesser, of the qualified
2319 electors of the municipality as provided in this section.



(5) Regardless of whether a county or municipality opts out of allowing the cultivation, processing, sale and/or distribution of medical cannabis and cannabis products, cardholders, cannabis testing facilities, cannabis research facilities, cannabis transportation entities and cannabis disposal entities may possess medical cannabis in the municipality or county if done in accordance with this chapter.

(6) (a) If a municipality that has opted out under this section annexes a geographic area which contains a licensed entity operating under the provisions of this chapter, then the licensed entity may continue its operation in that municipality's newly annexed geographic area.

(b) If a licensed entity operating under the provisions of this chapter is located in a municipality that contracts its corporate boundaries thereby causing the geographic area in which the licensed entity is located to no longer be in the municipality and instead in an unincorporated area of a county that has opted out under this section, then the licensed entity may continue its operation in that area of the county.

SECTION 31. Judicial review. (1) Any person or entity aggrieved by a final decision or order of an agency under the provisions of this chapter may petition for judicial review of the final decision or order.

(2) (a) The petition shall be filed within twenty (20) days after the issuance of the agency's final decision or order. The



petition shall be filed in the circuit court of the county in which the appellant resides. If the appellant is a nonresident of this state, the appeal shall be made to the Circuit Court of the First Judicial District of Hinds County, Mississippi.

(b) Any person or entity aggrieved by the decision of the circuit court may appeal to the Mississippi Supreme Court.

SECTION 32. Fees and fines allocation. All fees and fines collected by the MDOR and MDOH according to the provisions of this chapter shall be deposited into the State General Fund.

SECTION 33. Medical Cannabis Advisory Committee. (1) (a) There is established a Medical Cannabis Advisory Committee, which shall be the committee that is required to advise the Legislature about medical cannabis and cannabis product, patient care, services and industry.

(b) The advisory committee shall consist of nine (9) members, as follows:

(i) The Governor shall appoint three (3) members to the committee, as follows:

1. One (1) representative from the MDOH;
2. One (1) registered qualifying patient; and
3. One (1) physician with experience in medical cannabis issues;

(ii) The Lieutenant Governor shall appoint three (3) members, as follows:



2369 1. One (1) owner or agent of a medical
2370 cannabis cultivation facility;
2371 2. One (1) representative from the MDOH; and
2372 3. One (1) qualified certified nurse
2373 practitioner, physician assistant or optometrist;
2374 (iii) The Speaker of the House shall appoint three
2375 (3) members, as follows:
2376 1. One (1) owner or agent of a medical
2377 cannabis processing facility;
2378 2. One (1) owner or agent of a medical
2379 cannabis dispensary; and
2380 3. One (1) representative from the MDOR.
2381 (c) The advisory committee shall meet at least two (2)
2382 times per year for the purpose of evaluating and making
2383 recommendations to the Legislature and the MDOH and MDOR
2384 regarding:
2385 (i) The ability of qualifying patients in all
2386 areas of the state to obtain timely access to high-quality medical
2387 cannabis;
2388 (ii) The effectiveness of the medical cannabis
2389 establishments in serving the needs of registered qualifying
2390 patients, including the provision of educational and support
2391 services by dispensaries, the reasonableness of their prices,
2392 security issues, and the sufficiency of the number operating to
2393 serve the state's registered qualifying patients;



2394 (iii) The effectiveness of the cannabis testing
2395 facilities, including whether a sufficient number are operating;
2396 (iv) The sufficiency of the regulatory and
2397 security safeguards contained in this chapter and adopted by the
2398 MDOH to ensure that access to and use of cannabis cultivated is
2399 provided only to cardholders;
2400 (v) Any recommended additions or revisions to the
2401 MDOH and MDOR rules and regulations or this chapter, including
2402 relating to security, safe handling, labeling, nomenclature, and
2403 whether additional types of licenses should be made available; and
2404 (vi) Any research studies regarding health effects
2405 of medical cannabis for patients.
2406 (d) The advisory committee shall accept public comment
2407 in writing and in-person at least once per year. The advisory
2408 committee shall meet at least two (2) times per year and advisory
2409 committee members shall be furnished written notice of the
2410 meetings at least ten (10) days before the date of the meeting.
2411 (e) The chairman of the advisory committee shall be
2412 elected by the voting members of the committee annually and shall
2413 not serve more than two (2) consecutive years as chairman.
2414 (f) The members of the advisory committee specified in
2415 paragraph (b) of this subsection shall serve for terms that are
2416 concurrent with the terms of members of the Legislature, and any
2417 member appointed under paragraph (b) may be reappointed to the
2418 advisory committee. The members of the advisory committee



specified in paragraph (b) shall serve without compensation, but shall receive reimbursement to defray actual expenses incurred in the performance of committee business as authorized by law.

(2) This section shall stand repealed on December 31, 2025.

SECTION 34. Section 25-53-5, Mississippi Code of 1972, is amended as follows:

25-53-5. The authority shall have the following powers, duties, and responsibilities:

(a) (i) The authority shall provide for the development of plans for the efficient acquisition and utilization of computer equipment and services by all agencies of state government, and provide for their implementation. In so doing, the authority may use the MDITS' staff, at the discretion of the executive director of the authority, or the authority may contract for the services of qualified consulting firms in the field of information technology and utilize the service of such consultants as may be necessary for such purposes. Pursuant to Section 25-53-1, the provisions of this section shall not apply to the Department of Human Services for a period of three (3) years beginning on July 1, 2017. Pursuant to Section 25-53-1, the provisions of this section shall not apply to the Department of Child Protection Services for a period of three (3) years beginning July 1, 2017.

(ii) [Repealed]



2443 (b) The authority shall immediately institute
2444 procedures for carrying out the purposes of this chapter and
2445 supervise the efficient execution of the powers and duties of the
2446 office of executive director of the authority. In the execution
2447 of its functions under this chapter, the authority shall maintain
2448 as a paramount consideration the successful internal organization
2449 and operation of the several agencies so that efficiency existing
2450 therein shall not be adversely affected or impaired. In executing
2451 its functions in relation to the institutions of higher learning
2452 and junior colleges in the state, the authority shall take into
2453 consideration the special needs of such institutions in relation
2454 to the fields of teaching and scientific research.

2455 (c) Title of whatever nature of all computer equipment
2456 now vested in any agency of the State of Mississippi is hereby
2457 vested in the authority, and no such equipment shall be disposed
2458 of in any manner except in accordance with the direction of the
2459 authority or under the provisions of such rules and regulations as
2460 may hereafter be adopted by the authority in relation thereto.

2461 (d) The authority shall adopt rules, regulations, and
2462 procedures governing the acquisition of computer and
2463 telecommunications equipment and services which shall, to the
2464 fullest extent practicable, insure the maximum of competition
2465 between all manufacturers of supplies or equipment or services.
2466 In the writing of specifications, in the making of contracts
2467 relating to the acquisition of such equipment and services, and in



2468 the performance of its other duties the authority shall provide
2469 for the maximum compatibility of all information systems hereafter
2470 installed or utilized by all state agencies and may require the
2471 use of common computer languages where necessary to accomplish the
2472 purposes of this chapter. The authority may establish by
2473 regulation and charge reasonable fees on a nondiscriminatory basis
2474 for the furnishing to bidders of copies of bid specifications and
2475 other documents issued by the authority.

2476 (e) The authority shall adopt rules and regulations
2477 governing the sharing with, or the sale or lease of information
2478 technology services to any nonstate agency or person. Such
2479 regulations shall provide that any such sharing, sale or lease
2480 shall be restricted in that same shall be accomplished only where
2481 such services are not readily available otherwise within the
2482 state, and then only at a charge to the user not less than the
2483 prevailing rate of charge for similar services by private
2484 enterprise within this state.

2485 (f) The authority may, in its discretion, establish a
2486 special technical advisory committee or committees to study and
2487 make recommendations on technology matters within the competence
2488 of the authority as the authority may see fit. Persons serving on
2489 the Information Resource Council, its task forces, or any such
2490 technical advisory committees shall be entitled to receive their
2491 actual and necessary expenses actually incurred in the performance
2492 of such duties, together with mileage as provided by law for state



2493 employees, provided the same has been authorized by a resolution
2494 duly adopted by the authority and entered on its minutes prior to
2495 the performance of such duties.

2496 (g) The authority may provide for the development and
2497 require the adoption of standardized computer programs and may
2498 provide for the dissemination of information to and the
2499 establishment of training programs for the personnel of the
2500 various information technology centers of state agencies and
2501 personnel of the agencies utilizing the services thereof.

2502 (h) The authority shall adopt reasonable rules and
2503 regulations requiring the reporting to the authority through the
2504 office of executive director of such information as may be
2505 required for carrying out the purposes of this chapter and may
2506 also establish such reasonable procedures to be followed in the
2507 presentation of bills for payment under the terms of all contracts
2508 for the acquisition of computer equipment and services now or
2509 hereafter in force as may be required by the authority or by the
2510 executive director in the execution of their powers and duties.

2511 (i) The authority shall require such adequate
2512 documentation of information technology procedures utilized by the
2513 various state agencies and may require the establishment of such
2514 organizational structures within state agencies relating to
2515 information technology operations as may be necessary to
2516 effectuate the purposes of this chapter.



2517 (j) The authority may adopt such further reasonable
2518 rules and regulations as may be necessary to fully implement the
2519 purposes of this chapter. All rules and regulations adopted by
2520 the authority shall be published and disseminated in readily
2521 accessible form to all affected state agencies, and to all current
2522 suppliers of computer equipment and services to the state, and to
2523 all prospective suppliers requesting the same. Such rules and
2524 regulations shall be kept current, be periodically revised, and
2525 copies thereof shall be available at all times for inspection by
2526 the public at reasonable hours in the offices of the authority.
2527 Whenever possible no rule, regulation or any proposed amendment to
2528 such rules and regulations shall be finally adopted or enforced
2529 until copies of the proposed rules and regulations have been
2530 furnished to all interested parties for their comment and
2531 suggestions.

2532 (k) The authority shall establish rules and regulations
2533 which shall provide for the submission of all contracts proposed
2534 to be executed by the executive director for computer equipment or
2535 services to the authority for approval before final execution, and
2536 the authority may provide that such contracts involving the
2537 expenditure of less than such specified amount as may be
2538 established by the authority may be finally executed by the
2539 executive director without first obtaining such approval by the
2540 authority.



2541 (1) The authority is authorized to purchase, lease, or
2542 rent computer equipment or services and to operate that equipment
2543 and use those services in providing services to one or more state
2544 agencies when in its opinion such operation will provide maximum
2545 efficiency and economy in the functions of any such agency or
2546 agencies.

2547 (m) Upon the request of the governing body of a
2548 political subdivision or instrumentality, the authority shall
2549 assist the political subdivision or instrumentality in its
2550 development of plans for the efficient acquisition and utilization
2551 of computer equipment and services. An appropriate fee shall be
2552 charged the political subdivision by the authority for such
2553 assistance.

2554 (n) The authority shall adopt rules and regulations
2555 governing the protest procedures to be followed by any actual or
2556 prospective bidder, offerer or contractor who is aggrieved in
2557 connection with the solicitation or award of a contract for the
2558 acquisition of computer equipment or services. Such rules and
2559 regulations shall prescribe the manner, time and procedure for
2560 making protests and may provide that a protest not timely filed
2561 shall be summarily denied. The authority may require the
2562 protesting party, at the time of filing the protest, to post a
2563 bond, payable to the state, in an amount that the authority
2564 determines sufficient to cover any expense or loss incurred by the
2565 state, the authority or any state agency as a result of the



2566 protest if the protest subsequently is determined by a court of
2567 competent jurisdiction to have been filed without any substantial
2568 basis or reasonable expectation to believe that the protest was
2569 meritorious; however, in no event may the amount of the bond
2570 required exceed a reasonable estimate of the total project cost.
2571 The authority, in its discretion, also may prohibit any
2572 prospective bidder, offerer or contractor who is a party to any
2573 litigation involving any such contract with the state, the
2574 authority or any agency of the state to participate in any other
2575 such bid, offer or contract, or to be awarded any such contract,
2576 during the pendency of the litigation.

2577 (o) The authority shall make a report in writing to the
2578 Legislature each year in the month of January. Such report shall
2579 contain a full and detailed account of the work of the authority
2580 for the preceding year as specified in Section 25-53-29(3).

2581 All acquisitions of computer equipment and services involving
2582 the expenditure of funds in excess of the dollar amount
2583 established in Section 31-7-13(c), or rentals or leases in excess
2584 of the dollar amount established in Section 31-7-13(c) for the
2585 term of the contract, shall be based upon competitive and open
2586 specifications, and contracts therefor shall be entered into only
2587 after advertisements for bids are published in one or more daily
2588 newspapers having a general circulation in the state not less than
2589 fourteen (14) days prior to receiving sealed bids therefor. The
2590 authority may reserve the right to reject any or all bids, and if



all bids are rejected, the authority may negotiate a contract within the limitations of the specifications so long as the terms of any such negotiated contract are equal to or better than the comparable terms submitted by the lowest and best bidder, and so long as the total cost to the State of Mississippi does not exceed the lowest bid. If the authority accepts one (1) of such bids, it shall be that which is the lowest and best. Through December 31, 2022, the provisions of this paragraph shall not apply to acquisitions of information technology equipment and services made by the Mississippi Department of Health and/or the Mississippi Department of Revenue for the purposes of implementing, administering and/or enforcing the provisions of the Mississippi Medical Cannabis Act.

(p) When applicable, the authority may procure equipment, systems and related services in accordance with the law or regulations, or both, which govern the Bureau of Purchasing of the Office of General Services or which govern the Mississippi Department of Information Technology Services procurement of telecommunications equipment, software and services.

(q) The authority is authorized to purchase, lease, or rent information technology and services for the purpose of establishing pilot projects to investigate emerging technologies. These acquisitions shall be limited to new technologies and shall be limited to an amount set by annual appropriation of the



2615 Legislature. These acquisitions shall be exempt from the
2616 advertising and bidding requirement.

2617 (r) All fees collected by the Mississippi Department of
2618 Information Technology Services shall be deposited into the
2619 Mississippi Department of Information Technology Services
2620 Revolving Fund unless otherwise specified by the Legislature.

2621 (s) The authority shall work closely with the council
2622 to bring about effective coordination of policies, standards and
2623 procedures relating to procurement of remote sensing and
2624 geographic information systems (GIS) resources. In addition, the
2625 authority is responsible for development, operation and
2626 maintenance of a delivery system infrastructure for geographic
2627 information systems data. The authority shall provide a warehouse
2628 for Mississippi's geographic information systems data.

2629 (t) The authority shall manage one or more State Data
2630 Centers to provide information technology services on a
2631 cost-sharing basis. In determining the appropriate services to be
2632 provided through the State Data Center, the authority should
2633 consider those services that:

- 2634 (i) Result in savings to the state as a whole;
- 2635 (ii) Improve and enhance the security and
2636 reliability of the state's information and business systems; and
- 2637 (iii) Optimize the efficient use of the state's
2638 information technology assets, including, but not limited to,
2639 promoting partnerships with the state institutions of higher



2640 learning and community colleges to capitalize on advanced
2641 information technology resources.

2642 (u) The authority shall increase federal participation
2643 in the cost of the State Data Center to the extent provided by law
2644 and its shared technology infrastructure through providing such
2645 shared services to agencies that receive federal funds. With
2646 regard to state institutions of higher learning and community
2647 colleges, the authority may provide shared services when mutually
2648 agreeable, following a determination by both the authority and the
2649 Board of Trustees of State Institutions of Higher Learning or the
2650 Mississippi Community College Board, as the case may be, that the
2651 sharing of services is mutually beneficial.

2652 (v) The authority, in its discretion, may require new
2653 or replacement agency business applications to be hosted at the
2654 State Data Center. With regard to state institutions of higher
2655 learning and community colleges, the authority and the Board of
2656 Trustees of State Institutions of Higher Learning or the
2657 Mississippi Community College Board, as the case may be, may agree
2658 that institutions of higher learning or community colleges may
2659 utilize business applications that are hosted at the State Data
2660 Center, following a determination by both the authority and the
2661 applicable board that the hosting of those applications is
2662 mutually beneficial. In addition, the authority may establish
2663 partnerships to capitalize on the advanced technology resources of
2664 the Board of Trustees of State Institutions of Higher Learning or



the Mississippi Community College Board, following a determination by both the authority and the applicable board that such a partnership is mutually beneficial.

(w) The authority shall provide a periodic update regarding reform-based information technology initiatives to the Chairmen of the House and Senate Accountability, Efficiency and Transparency Committees.

From and after July 1, 2018, the expenses of this agency shall be defrayed by appropriation from the State General Fund. In addition, in order to receive the maximum use and benefit from information technology and services, expenses for the provision of statewide shared services that facilitate cost-effective information processing and telecommunication solutions shall be defrayed by pass-through funding and shall be deposited into the Mississippi Department of Information Technology Services Revolving Fund unless otherwise specified by the Legislature. These funds shall only be utilized to pay the actual costs incurred by the Mississippi Department of Information Technology Services for providing these shared services to state agencies. Furthermore, state agencies shall work in full cooperation with the Board of the Mississippi Department of Information Technology Services to identify computer equipment or services to minimize duplication, reduce costs, and improve the efficiency of providing common technology services across agency boundaries.



2689 **SECTION 35.** Section 27-104-203, Mississippi Code of 1972, is
2690 amended as follows:

2691 27-104-203. * * * From and after July 1, 2016, no state
2692 agency shall charge another state agency a fee, assessment, rent,
2693 audit fee, personnel fee or other charge for services or resources
2694 received. The provisions of this section shall not apply (a) to
2695 grants, contracts, pass-through funds, project fees or other
2696 charges for services between state agencies and the Board of
2697 Trustees of State Institutions of Higher Learning, any public
2698 university, the Mississippi Community College Board, any public
2699 community or junior college, and the State Department of
2700 Education, nor (b) to charges for services between the Board of
2701 Trustees of State Institutions of Higher Learning, any public
2702 university, the Mississippi Community College Board, any public
2703 community or junior college, and the State Department of
2704 Education, nor (c) to federal grants, pass-through funds, cost
2705 allocation charges, surplus property charges or project fees
2706 between state agencies as approved or determined by the State
2707 Fiscal Officer, nor (d) telecommunications, data center services,
2708 and/or other information technology services that are used on an
2709 as-needed basis and those costs shall be passed through to the
2710 using agency, nor (e) to federal grants, special funds, or
2711 pass-through funds, available for payment by state agencies to the
2712 Department of Finance and Administration related to Mississippi
2713 Management and Reporting Systems (MMRS) Statewide Application



2714 charges and utilities as approved or determined by the State
2715 Fiscal Officer, nor (f) * * * to grants, contracts, pass-through
2716 funds, project fees or charges for services between the State
2717 Department of Health and the State Department of Revenue, and
2718 other state agencies or entities, including, but not limited to,
2719 the Board of Trustees of State Institutions of Higher Learning,
2720 any public university, the Mississippi Community College Board,
2721 any public community or junior college, and the State Department
2722 of Education, for the operation of the * * * medical * * *
2723 cannabis program as established by * * * the Mississippi Medical
2724 Cannabis Act. The Board of Trustees of State Institutions of
2725 Higher Learning, any public university, the Mississippi Community
2726 College Board, any public community or junior college, and the
2727 State Department of Education shall retain the authority to charge
2728 and be charged for expenditures that they deemed nonrecurring in
2729 nature by the State Fiscal Officer.

2730 * * *

2731 **SECTION 36.** Section 17-1-3, Mississippi Code of 1972, is
2732 brought forward as follows:

2733 17-1-3. (1) Except as otherwise provided in Section
2734 17-1-21(2) and in Article VII of the Chickasaw Trail Economic
2735 Development Compact described in Section 57-36-1, for the purpose
2736 of promoting health, safety, morals, or the general welfare of the
2737 community, the governing authority of any municipality, and, with
2738 respect to the unincorporated part of any county, the governing



2739 authority of any county, in its discretion, are empowered to
2740 regulate the height, number of stories and size of building and
2741 other structures, the percentage of lot that may be occupied, the
2742 size of the yards, courts and other open spaces, the density of
2743 population, and the location and use of buildings, structures and
2744 land for trade, industry, residence or other purposes, but no
2745 permits shall be required with reference to land used for
2746 agricultural purposes, including forestry activities as defined in
2747 Section 95-3-29(2)(b), or for the erection, maintenance, repair or
2748 extension of farm buildings or farm structures, including forestry
2749 buildings and structures, outside the corporate limits of
2750 municipalities. The governing authority of each county and
2751 municipality may create playgrounds and public parks, and for
2752 these purposes, each of such governing authorities shall possess
2753 the power, where requisite, of eminent domain and the right to
2754 apply public money thereto, and may issue bonds therefor as
2755 otherwise permitted by law.

2756 (2) Local land use regulation ordinances involving the
2757 placement, screening, or height of amateur radio antenna
2758 structures must reasonably accommodate amateur communications and
2759 must constitute the minimum practicable regulation to accomplish
2760 local authorities' legitimate purposes of addressing health,
2761 safety, welfare and aesthetic considerations. Judgments as to the
2762 types of reasonable accommodation to be made and the minimum
2763 practicable regulation necessary to address these purposes will be



determined by local governing authorities within the parameters of the law. This legislation supports the amateur radio service in preparing for and providing emergency communications for the State of Mississippi and local emergency management agencies.

SECTION 37. Section 19-5-9, Mississippi Code of 1972, is brought forward as follows:

19-5-9. The construction codes published by a nationally recognized code group which sets minimum standards and has the proper provisions to maintain up-to-date amendments are adopted as minimum standard guides for building, plumbing, electrical, gas, sanitary, and other related codes in Mississippi. Any county within the State of Mississippi, in the discretion of the board of supervisors, may adopt building codes, plumbing codes, electrical codes, sanitary codes, or other related codes dealing with general public health, safety or welfare, or a combination of the same, within but not exceeding the provisions of the construction codes published by nationally recognized code groups, by order or resolution in the manner prescribed in this section, but those codes so adopted shall apply only to the unincorporated areas of the county. However, those codes shall not apply to the erection, maintenance, repair or extension of farm buildings or farm structures, except as may be required under the terms of the "Flood Disaster Protection Act of 1973," and shall apply to a master planned community as defined in Section 19-5-10 only to the extent allowed in Section 19-5-10. The provisions of this section



2789 shall not be construed to authorize the adoption of any code which
2790 applies to the installation, repair or maintenance of electric
2791 wires, pipelines, apparatus, equipment or devices by or for a
2792 utility rendering public utility services, required by it to be
2793 utilized in the rendition of its duly authorized service to the
2794 public. Before any such code shall be adopted, it shall be either
2795 printed or typewritten and shall be presented in pamphlet form to
2796 the board of supervisors at a regular meeting. The order or
2797 resolution adopting the code shall not set out the code in full,
2798 but shall merely identify the same. The vote or passage of the
2799 order or resolution shall be the same as on any other order or
2800 resolution. After its adoption, the code or codes shall be
2801 certified to by the president and clerk of the board of
2802 supervisors and shall be filed as a permanent record in the office
2803 of the clerk who shall not be required to transcribe and record
2804 the same in the minute book as other orders and resolutions.

2805 If the board of supervisors of any county adopts or has
2806 adopted construction codes which do not have proper provisions to
2807 maintain up-to-date amendments, specifications in such codes for
2808 cements used in portland cement concrete shall be superseded by
2809 nationally recognized specifications referenced in any code
2810 adopted by the Mississippi Building Code Council.

2811 All provisions of this section shall apply to amendments and
2812 revisions of the codes mentioned in this section. The provisions
2813 of this section shall be in addition and supplemental to any



2814 existing laws authorizing the adoption, amendment or revision of
2815 county orders, resolutions or codes.

2816 Any code adopted under the provisions of this section shall
2817 not be in operation or force until sixty (60) days have elapsed
2818 from the adoption of same; however, any code adopted for the
2819 immediate preservation of the public health, safety and general
2820 welfare may be effective from and after its adoption by a
2821 unanimous vote of the members of the board. Within five (5) days
2822 after the adoption or passage of an order or resolution adopting
2823 that code or codes the clerk of the board of supervisors shall
2824 publish in a legal newspaper published in the county the full text
2825 of the order or resolution adopting and approving the code, and
2826 the publication shall be inserted at least three (3) times, and
2827 shall be completed within thirty (30) days after the passage of
2828 the order or resolution.

2829 Any person or persons objecting to the code or codes may
2830 object in writing to the provisions of the code or codes within
2831 sixty (60) days after the passage of the order or resolution
2832 approving same, and if the board of supervisors adjudicates that
2833 ten percent (10%) or more of the qualified electors residing in
2834 the affected unincorporated areas of the county have objected in
2835 writing to the code or codes, then in such event the code shall be
2836 inoperative and not in effect unless adopted for the immediate
2837 preservation of the public health, safety and general welfare
2838 until approved by a special election called by the board of



2839 supervisors as other special elections are called and conducted by
2840 the election commissioners of the county as other special
2841 elections are conducted, the special election to be participated
2842 in by all the qualified electors of the county residing in the
2843 unincorporated areas of the county. If the voters approve the
2844 code or codes in the special election it shall be in force and in
2845 operation thereafter until amended or modified as provided in this
2846 section. If the majority of the qualified electors voting in the
2847 special election vote against the code or codes, then, in such
2848 event, the code or codes shall be void and of no force and effect,
2849 and no other code or codes dealing with that subject shall be
2850 adopted under the provisions of this section until at least two
2851 (2) years thereafter.

2852 After any such code shall take effect the board of
2853 supervisors is authorized to employ such directors and other
2854 personnel as the board, in its discretion, deems necessary and to
2855 expend general county funds or any other funds available to the
2856 board to fulfill the purposes of this section.

2857 For the purpose of promoting health, safety, morals or the
2858 general welfare of the community, the governing authority of any
2859 municipality, and, with respect to the unincorporated part of any
2860 county, the governing authority of any county, in its discretion,
2861 is empowered to regulate the height, number of stories and size of
2862 building and other structures, the percentage of lot that may be
2863 occupied, the size of the yards, courts and other open spaces, the



density or population, and the location and use of buildings, structures and land for trade, industry, residence or other purposes, but no permits shall be required except as may be required under the terms of the "Flood Disaster Protection Act of 1973" for the erection, maintenance, repair or extension of farm buildings or farm structures outside the corporate limits of municipalities.

The authority granted in this section is cumulative and supplemental to any other authority granted by law.

Notwithstanding any provision of this section to the contrary, any code adopted by a county before or after April 12, 2001, is subject to the provisions of Section 41-26-14(10).

Notwithstanding any provision of this section to the contrary, the Boards of Supervisors of Jackson, Harrison, Hancock, Stone and Pearl River Counties shall enforce the requirements imposed under Section 17-2-1 as provided in such section.

SECTION 38. Section 25-43-1.103, Mississippi Code of 1972, is brought forward as follows:

25-43-1.103. (1) This chapter applies to all agencies and all proceedings not expressly exempted under this chapter.

(2) This chapter creates only procedural rights and imposes only procedural duties. They are in addition to those created and imposed by other statutes.

(3) Specific statutory provisions which govern agency proceedings and which are in conflict with any of the provisions



of this chapter shall continue to be applied to all proceedings of any such agency to the extent of such conflict only.

(4) The provisions of this chapter shall not be construed to amend, repeal or supersede the provisions of any other law; and, to the extent that the provisions of any other law conflict or are inconsistent with the provisions of this chapter, the provisions of such other law shall govern and control.

(5) An agency may grant procedural rights to persons in addition to those conferred by this chapter so long as rights conferred upon other persons by any provision of law are not substantially prejudiced.

SECTION 39. Section 25-43-2.101, Mississippi Code of 1972, is brought forward as follows:

25-43-2.101. (1) Subject to the provisions of this chapter, the Secretary of State shall prescribe a uniform numbering system, form, style and transmitting format for all proposed and adopted rules caused to be published by him and, with prior approval of each respective agency involved, may edit rules for publication and codification without changing the meaning or effect of any rule.

(2) The Secretary of State shall cause an administrative bulletin to be published in a format and at such regular intervals as the Secretary of State shall prescribe by rule. Upon proper filing of proposed rules, the Secretary of State shall publish



2913 them in the administrative bulletin as expeditiously as possible.

2914 The administrative bulletin must contain:

2915 (a) Notices of proposed rule adoption prepared so that
2916 the text of the proposed rule shows the text of any existing rule
2917 proposed to be changed and the change proposed;

2918 (b) Any other notices and materials designated by law
2919 for publication therein; and

2920 (c) An index to its contents by subject.

2921 (3) The Secretary of State shall cause an administrative
2922 bulletin to be published in a format and at such regular intervals
2923 as the Secretary of State shall prescribe by rule. Upon proper
2924 filing of newly adopted rules, the Secretary of State shall
2925 publish them as expeditiously as possible. The administrative
2926 bulletin must contain:

2927 (a) Newly filed adopted rules prepared so that the text
2928 shows the text of any existing rule being changed and the change
2929 being made;

2930 (b) Any other notices and materials designated by law
2931 for publication therein; and

2932 (c) An index to its contents by subject.

2933 (4) The Secretary of State retains the authority to reject
2934 proposed and newly adopted rules not properly filed in accordance
2935 with the Secretary of State's rules prescribing the numbering
2936 system, form, style or transmitting format for such filings. The
2937 Secretary of State shall not be empowered to reject filings for



2938 reasons of the substance or content or any proposed or newly
2939 adopted rule. The Secretary of State shall notify the agency of
2940 its rejection of a proposed or newly adopted rule as expeditiously
2941 as possible and accompany such notification with a stated reason
2942 for the rejection. A rejected filing of a proposed or newly
2943 adopted rule does not constitute filing pursuant to Section
2944 25-43-3.101 et seq. of this chapter.

2945 (5) (a) The Secretary of State shall cause an
2946 administrative code to be compiled, indexed by subject and
2947 published in a format prescribed by the Secretary of State by
2948 rule. All of the effective rules of each agency must be published
2949 and indexed in that publication. The Secretary of State shall
2950 also cause supplements to the administrative code to be published
2951 in a format and at such regular intervals as the Secretary of
2952 State shall prescribe by rule.

2953 (b) The Joint Legislative Committee on Compilation,
2954 Revision and Publication of Legislation is hereby authorized to
2955 contract with a reputable and competent publishing company on such
2956 terms and conditions and at such prices as may be deemed proper to
2957 digest, compile, annotate, index and publish the state agency
2958 rules and regulations.

2959 (6) (a) Copyrights of the Mississippi Administrative Code,
2960 including, but not limited to, cross references, tables of cases,
2961 notes of decisions, tables of contents, indices, source notes,
2962 authority notes, numerical lists and codification guides, other



2963 than the actual text of rules or regulations, shall be taken by
2964 and in the name of the publishers of said compilation. Such
2965 publishers shall thereafter promptly assign the same to the State
2966 of Mississippi and said copyright shall be owned by the state.

2967 (b) Any information appearing on the same leaf with the
2968 text of any rule or regulation may be incidentally reproduced in
2969 connection with the reproduction of such rule or regulation, if
2970 such reproduction is for private use and not for resale.

2971 (7) The Secretary of State may omit from the administrative
2972 bulletin or code any proposed or filed adopted rule, the
2973 publication in hard copy of which would be unduly cumbersome,
2974 expensive or otherwise inexpedient, if:

2975 (a) Knowledge of the rule is likely to be important to
2976 only a small class of persons;

2977 (b) On application to the issuing agency, the proposed
2978 or adopted rule in printed or processed form is made available at
2979 no more than its cost of reproduction; and

2980 (c) The administrative bulletin or code contains a
2981 notice stating in detail the specific subject matter of the
2982 omitted proposed or adopted rule and how a copy of the omitted
2983 material may be obtained.

2984 (8) The administrative bulletin and administrative code with
2985 supplements must be furnished to designated officials without
2986 charge and to all subscribers at a reasonable cost to be
2987 determined by the Secretary of State. Each agency shall also make



available for public inspection and copying those portions of the administrative bulletin and administrative code containing all rules adopted or used by the agency in the discharge of its functions, and the index to those rules.

SECTION 40. Section 25-43-3.102, Mississippi Code of 1972, is brought forward as follows:

25-43-3.102. (1) Each agency shall maintain a current, public rule-making docket.

(2) The rule-making docket may, but need not, contain a listing of the subject matter of possible rules currently under active consideration within the agency for proposal under Section 25-43-3.103 and the name and address of agency personnel with whom persons may communicate with respect to the matter.

(3) The rule-making docket must list each pending rule-making proceeding. A rule-making proceeding is pending from the time it is commenced, by proper filing with the Secretary of State of a notice of proposed rule adoption, to the time it is terminated by the filing with the Secretary of State of a notice of termination or the rule becoming effective. For each pending rule-making proceeding, the docket must indicate:

- (a) The subject matter of the proposed rule;
- (b) A citation to all published notices relating to the proceeding;



- 3011 (c) Where written submissions or written requests for
3012 an opportunity to make oral presentations on the proposed rule may
3013 be inspected;
- 3014 (d) The time during which written submissions may be
3015 made;
- 3016 (e) If applicable, where and when oral presentations
3017 may be made;
- 3018 (f) Where any economic impact statement and written
3019 requests for the issuance of and other information concerning an
3020 economic impact statement of the proposed rule may be inspected;
- 3021 (g) The current status of the proposed rule;
- 3022 (h) The date of the rule's adoption; and
- 3023 (i) When the rule will become effective.

3024 **SECTION 41.** Section 25-43-3.103, Mississippi Code of 1972,
3025 is brought forward as follows:

3026 25-43-3.103. (1) At least twenty-five (25) days before the
3027 adoption of a rule an agency shall cause notice of its
3028 contemplated action to be properly filed with the Secretary of
3029 State for publication in the administrative bulletin. The notice
3030 of proposed rule adoption must include:

- 3031 (a) A short explanation of the purpose of the proposed
3032 rule and the agency's reasons for proposing the rule;
- 3033 (b) The specific legal authority authorizing the
3034 promulgation of rules;



(c) A reference to all rules repealed, amended or suspended by the proposed rule;

(d) Subject to Section 25-43-2.101(5), the text of the proposed rule;

(e) Where, when and how persons may present their views on the proposed rule; and

(f) Where, when and how persons may demand an oral proceeding on the proposed rule if the notice does not already provide for one.

(2) Within three (3) days after its proper filing with the Secretary of State for publication in the administrative bulletin, the agency shall cause a copy of the notice of proposed rule adoption to be provided to each person who has made a timely request to the agency to be placed on the mailing list maintained by the agency of persons who have requested notices of proposed rule adoptions. An agency may mail the copy to the person and may charge the person a reasonable fee for such service, which fee may be in excess of the actual cost of providing the person with a mailed copy. Alternatively, the agency may provide the copy via the Internet or by transmitting it to the person by electronic means, including, but not limited to, facsimile transfer or e-mail at no charge to the person, if the person consents to this form of delivery.

SECTION 42. Section 25-43-3.104, Mississippi Code of 1972, is brought forward as follows:



3060 25-43-3.104. (1) For at least twenty-five (25) days after
3061 proper filing with the Secretary of State of the notice of
3062 proposed rule adoption, an agency shall afford persons the
3063 opportunity to submit, in writing, argument, data and views on the
3064 proposed rule.

3065 (2) (a) An agency, in its discretion, may schedule an oral
3066 proceeding on any proposed rule. However, an agency shall
3067 schedule an oral proceeding on a proposed rule if, within twenty
3068 (20) days after the proper filing of the notice of proposed rule
3069 adoption, a written request for an oral proceeding is submitted by
3070 a political subdivision, an agency or ten (10) persons. At that
3071 proceeding, persons may present oral or written argument, data and
3072 views on the proposed rule.

3073 (b) An oral proceeding on a proposed rule, if required,
3074 may not be held earlier than twenty (20) days after notice of its
3075 location and time is properly filed with the Secretary of State
3076 for publication in the administrative bulletin. Within three (3)
3077 days after its proper filing with the Secretary of State for
3078 publication in the administrative bulletin, the agency shall cause
3079 a copy of the notice of the location and time of the oral
3080 proceeding to be mailed to each person who has made a timely
3081 request to the agency to be placed on the mailing list maintained
3082 by the agency of persons who have requested notices of proposed
3083 rule adoptions.



3084 (c) The agency, a member of the agency, or another
3085 presiding officer designated by the agency shall preside at a
3086 required oral proceeding on a proposed rule. Oral proceedings
3087 must be open to the public and may be recorded by stenographic or
3088 other means.

3089 (d) An agency may issue rules for the conduct of oral
3090 rule-making proceedings or prepare reasonable guidelines or
3091 procedures for the conduct of any such proceedings. Those rules
3092 may include, but not be limited to, provisions calculated to
3093 prevent undue repetition in the oral proceedings.

3094 **SECTION 43.** Section 25-43-3.105, Mississippi Code of 1972,
3095 is brought forward as follows:

3096 25-43-3.105. (1) Prior to giving the notice required in
3097 Section 25-43-3.103, each agency proposing the adoption of a rule
3098 or significant amendment of an existing rule imposing a duty,
3099 responsibility or requirement on any person shall consider the
3100 economic impact the rule will have on the citizens of our state
3101 and the benefits the rule will cause to accrue to those citizens.
3102 For purposes of this section, a "significant amendment" means any
3103 amendment to a rule for which the total aggregate cost to all
3104 persons required to comply with that rule exceeds One Hundred
3105 Thousand Dollars (\$100,000.00).

3106 (2) Each agency shall prepare a written report providing an
3107 economic impact statement for the adoption of a rule or
3108 significant amendment to an existing rule imposing a duty,



3109 responsibility or requirement on any person, except as provided in
3110 subsection (7) of this section. The economic impact statement
3111 shall include the following:

3112 (a) A description of the need for and the benefits
3113 which will likely accrue as the result of the proposed action;

3114 (b) An estimate of the cost to the agency, and to any
3115 other state or local government entities, of implementing and
3116 enforcing the proposed action, including the estimated amount of
3117 paperwork, and any anticipated effect on state or local revenues;

3118 (c) An estimate of the cost or economic benefit to all
3119 persons directly affected by the proposed action;

3120 (d) An analysis of the impact of the proposed rule on
3121 small business;

3122 (e) A comparison of the costs and benefits of the
3123 proposed rule to the probable costs and benefits of not adopting
3124 the proposed rule or significantly amending an existing rule;

3125 (f) A determination of whether less costly methods or
3126 less intrusive methods exist for achieving the purpose of the
3127 proposed rule where reasonable alternative methods exist which are
3128 not precluded by law;

3129 (g) A description of reasonable alternative methods,
3130 where applicable, for achieving the purpose of the proposed action
3131 which were considered by the agency and a statement of reasons for
3132 rejecting those alternatives in favor of the proposed rule; and



3133 (h) A detailed statement of the data and methodology
3134 used in making estimates required by this subsection.

3135 (3) No rule or regulation shall be declared invalid based on
3136 a challenge to the economic impact statement for the rule unless
3137 the issue is raised in the agency proceeding. No person shall
3138 have standing to challenge a rule, based upon the economic impact
3139 statement or lack thereof, unless that person provided the agency
3140 with information sufficient to make the agency aware of specific
3141 concerns regarding the statement in an oral proceeding or in
3142 written comments regarding the rule. The grounds for invalidation
3143 of an agency action, based upon the economic impact statement, are
3144 limited to the agency's failure to adhere to the procedure for
3145 preparation of the economic impact statement as provided in this
3146 section, or the agency's failure to consider information submitted
3147 to the agency regarding specific concerns about the statement, if
3148 that failure substantially impairs the fairness of the rule-making
3149 proceeding.

3150 (4) A concise summary of the economic impact statement must
3151 be properly filed with the Secretary of State for publication in
3152 the administrative bulletin and the period during which persons
3153 may make written submissions on the proposed rule shall not expire
3154 until at least twenty (20) days after the date of such proper
3155 filing.

3156 (5) The properly filed summary of the economic impact
3157 statement must also indicate where persons may obtain copies of



3158 the full text of the economic impact statement and where, when and
3159 how persons may present their views on the proposed rule and
3160 demand an oral proceeding on the proposed rule if one is not
3161 already provided.

3162 (6) If the agency has made a good-faith effort to comply
3163 with the requirements of subsections (1) and (2) of this section,
3164 the rule may not be invalidated on the ground that the contents of
3165 the economic impact statement are insufficient or inaccurate.

3166 (7) This section does not apply to the adoption of:

3167 (a) Any rule which is required by the federal
3168 government pursuant to a state/federal program delegation
3169 agreement or contract;

3170 (b) Any rule which is expressly required by state law;
3171 and

3172 (c) A temporary rule adopted pursuant to Section
3173 25-43-3.108.

3174 **SECTION 44.** Section 25-43-3.106, Mississippi Code of 1972,
3175 is brought forward as follows:

3176 25-43-3.106. (1) An agency may not adopt a rule until the
3177 period for making written submissions and oral presentations has
3178 expired.

3179 (2) Following the proper filing with the Secretary of State
3180 of the notice of proposed rule adoption, an agency shall adopt a
3181 rule pursuant to the rule-making proceeding or terminate the
3182 proceeding by proper filing with the Secretary of State of a



3183 notice to that effect for publication in the administrative
3184 bulletin.

3185 (3) Before the adoption of a rule, an agency shall consider
3186 the written submissions, oral submissions or any memorandum
3187 summarizing oral submissions, and any economic impact statement,
3188 provided for by this Article III.

3189 (4) Within the scope of its delegated authority, an agency
3190 may use its own experience, technical competence, specialized
3191 knowledge and judgment in the adoption of a rule.

3192 **SECTION 45.** Section 25-43-3.107, Mississippi Code of 1972,
3193 is brought forward as follows:

3194 25-43-3.107. (1) An agency shall not adopt a rule that
3195 differs from the rule proposed in the notice of proposed rule
3196 adoption on which the rule is based unless all of the following
3197 apply:

3198 (a) The differences are within the scope of the matter
3199 announced in the notice of proposed rule adoption and are in
3200 character with the issues raised in that notice;

3201 (b) The differences are a logical outgrowth of the
3202 contents of that notice of proposed rule adoption and the comments
3203 submitted in response thereto; and

3204 (c) The notice of proposed rule adoption provided fair
3205 warning that the outcome of that rulemaking proceeding could be
3206 the rule in question.



3207 (2) In determining whether the notice of proposed rule
3208 adoption provided fair warning that the outcome of that rulemaking
3209 proceeding could be the rule in question, an agency shall consider
3210 all of the following factors:

3211 (a) The extent to which persons who will be affected by
3212 the rule should have understood that the rulemaking proceeding on
3213 which it is based could affect their interests;

3214 (b) The extent to which the subject matter of the rule
3215 or issues determined by the rule are different from the subject
3216 matter or issues contained in the notice of proposed rule
3217 adoption; and

3218 (c) The extent to which the effects of the rule differ
3219 from the effects of the proposed rule contained in the notice of
3220 proposed rule adoption.

3221 **SECTION 46.** Section 25-43-3.108, Mississippi Code of 1972,
3222 is amended as follows:

3223 25-43-3.108. If an agency finds that an imminent peril to
3224 the public health, safety or welfare requires adoption of a rule
3225 upon fewer than twenty-five (25) days' notice and states in
3226 writing its reasons for that finding, it may proceed without prior
3227 notice of hearing or upon any abbreviated notice and hearing that
3228 it finds practicable to adopt an emergency rule. The rule may be
3229 effective for a period of not longer than one hundred twenty (120)
3230 days, renewable once for a period not exceeding ninety (90) days,



but the adoption of an identical rule under * * * this Article III
is not precluded.

SECTION 47. Section 25-43-3.109, Mississippi Code of 1972,
is brought forward as follows:

25-43-3.109. (1) Each rule adopted by an agency must
contain the text of the rule and:

- (a) The date the agency adopted the rule;
- (b) An indication of any change between the text of the
proposed rule contained in the published notice of proposed rule
adoption and the text of the rule as finally adopted, with the
reasons for any substantive change;
- (c) Any changes to the information contained in the
notice of proposed rule adoption as required by subsection (1)(a),
(b) or (c) of Section 25-43-3.103;
- (d) Any findings required by any provision of law as a
prerequisite to adoption or effectiveness of the rule; and
- (e) The effective date of the rule if other than that
specified in Section 25-43-3.113(1).

(2) To the extent feasible, each rule should be written in
clear and concise language understandable to persons who may be
affected by it.

(3) An agency may incorporate, by reference in its rules and
without publishing the incorporated matter in full, all or any
part of a code, standard, rule or regulation that has been adopted
by an agency of the United States or of this state, another state



3256 or by a nationally recognized organization or association, if
3257 incorporation of its text in agency rules would be unduly
3258 cumbersome, expensive or otherwise inexpedient. The reference in
3259 the agency rules must fully identify the incorporated matter with
3260 an appropriate citation. An agency may incorporate by reference
3261 such matter in its rules only if the agency, organization or
3262 association originally issuing that matter makes copies of it
3263 readily available to the public. The rules must state if copies
3264 of the incorporated matter are available from the agency issuing
3265 the rule or where copies of the incorporated matter are available
3266 from the agency of the United States, this state, another state or
3267 the organization or association originally issuing that matter.

3268 (4) In preparing its rules pursuant to this Article III,
3269 each agency shall follow the uniform numbering system, form and
3270 style prescribed by the Secretary of State.

3271 **SECTION 48.** Section 25-43-3.110, Mississippi Code of 1972,
3272 is brought forward as follows:

3273 25-43-3.110. (1) An agency shall maintain an official
3274 rule-making record for each rule it (a) proposes or (b) adopts.
3275 The agency has the exclusive authority to prepare and exclusive
3276 authority to certify the record or any part thereof, including,
3277 but not limited to, any transcript of the proceedings, and the
3278 agency's certificate shall be accepted by the court and by any
3279 other agency. The record must be available for public inspection.

3280 (2) The agency rule-making record must contain:



3281 (a) Copies of all notices of proposed rule-making or
3282 oral proceedings or other publications in the administrative
3283 bulletin with respect to the rule or the proceeding upon which the
3284 rule is based;

3285 (b) Copies of any portions of the agency's public
3286 rule-making docket containing entries relating to the rule or the
3287 proceeding upon which the rule is based;

3288 (c) All written requests, submissions and comments
3289 received by the agency and all other written materials considered
3290 by the agency in connection with the formulation, proposal or
3291 adoption of the rule or the proceeding upon which the rule is
3292 based;

3293 (d) Any official transcript of oral presentations made
3294 in the proceeding upon which the rule is based or, if not
3295 transcribed, any tape recording or stenographic record of those
3296 presentations, and any memorandum prepared by a presiding official
3297 summarizing the contents of those presentations. The word
3298 "transcript" includes a written transcript, a printed transcript,
3299 an audible audiotape or videotape that is indexed and annotated so
3300 that it is readily accessible and any other means that the agency
3301 may have by rule provided for the reliable and accessible
3302 preservation of the proceeding;

3303 (e) A copy of any economic impact statement prepared
3304 for the proceeding upon which the rule is based; and



3305 (f) A copy of the rule and related information set out
3306 in Section 25-43-3.109 as filed in the Office of the Secretary of
3307 State.

3308 (3) The agency shall have authority to engage such persons
3309 and acquire such equipment as may be reasonably necessary to
3310 record and preserve in any technically and practicably feasible
3311 manner all matters and all proceedings had at any rule-making
3312 proceeding.

3313 (4) Upon judicial review, the record required by this
3314 section constitutes the official agency rule-making record with
3315 respect to a rule. Except as otherwise required by a provision of
3316 law, the agency rule-making record need not constitute the
3317 exclusive basis for agency action on that rule or for judicial
3318 review thereof.

3319 **SECTION 49.** Section 25-43-3.113, Mississippi Code of 1972,
3320 is brought forward as follows:

3321 25-43-3.113. (1) Except to the extent subsection (2) or (3)
3322 of this section provides otherwise, each rule adopted after July
3323 1, 2005, becomes effective thirty (30) days after its proper
3324 filing in the Office of the Secretary of State.

3325 (2) (a) A rule becomes effective on a date later than that
3326 established by subsection (1) of this section if a later date is
3327 required by another statute or specified in the rule.

3328 (b) A rule may become effective immediately upon its
3329 filing or on any subsequent date earlier than that established by



3330 subsection (1) of this section if the agency establishes such an
3331 effective date and finds that:

3332 (i) It is required by Constitution, statute or
3333 court order;

3334 (ii) The rule only confers a benefit or removes a
3335 restriction on the public or some segment thereof;

3336 (iii) The rule only delays the effective date of
3337 another rule that is not yet effective; or

3338 (iv) The earlier effective date is necessary
3339 because of imminent peril to the public health, safety or welfare.

3340 (c) The finding and a brief statement of the reasons
3341 therefor required by paragraph (b) of this subsection must be made
3342 a part of the rule. In any action contesting the effective date
3343 of a rule made effective under paragraph (b) of this subsection,
3344 the burden is on the agency to justify its finding.

3345 (d) A temporary rule may become effective immediately
3346 upon its filing or on any subsequent date earlier than that
3347 established by subsection (1) of this section.

3348 (e) Each agency shall make a reasonable effort to make
3349 known to persons who may be affected by it a rule made effective
3350 before any date established by subsection (1) of this section.

3351 (3) This section does not relieve an agency from compliance
3352 with any provision of law requiring that some or all of its rules
3353 be approved by other designated officials or bodies before they
3354 become effective.



SECTION 50. Section 27-7-17, Mississippi Code of 1972, is amended as follows:

27-7-17. In computing taxable income, there shall be allowed as deductions:

(1) **Business deductions.**

(a) **Business expenses.** All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including a reasonable allowance for salaries or other compensation for personal services actually rendered; nonreimbursable traveling expenses incident to current employment, including a reasonable amount expended for meals and lodging while away from home in the pursuit of a trade or business; and rentals or other payments required to be made as a condition of the continued use or possession, for purposes of the trade or business of property to which the taxpayer has not taken or is not taking title or in which he had no equity. Expense incurred in connection with earning and distributing nontaxable income is not an allowable deduction. Limitations on entertainment expenses shall conform to the provisions of the Internal Revenue Code of 1986. There shall also be allowed a deduction for expenses as provided in Section 26 of this act.

(b) **Interest.** All interest paid or accrued during the taxable year on business indebtedness, except interest upon the indebtedness for the purchase of tax-free bonds, or any stocks, the dividends from which are nontaxable under the provisions of



3380 this article; provided, however, in the case of securities
3381 dealers, interest payments or accruals on loans, the proceeds of
3382 which are used to purchase tax-exempt securities, shall be
3383 deductible if income from otherwise tax-free securities is
3384 reported as income. Investment interest expense shall be limited
3385 to investment income. Interest expense incurred for the purchase
3386 of treasury stock, to pay dividends, or incurred as a result of an
3387 undercapitalized affiliated corporation may not be deducted unless
3388 an ordinary and necessary business purpose can be established to
3389 the satisfaction of the commissioner. For the purposes of this
3390 paragraph, the phrase "interest upon the indebtedness for the
3391 purchase of tax-free bonds" applies only to the indebtedness
3392 incurred for the purpose of directly purchasing tax-free bonds and
3393 does not apply to any other indebtedness incurred in the regular
3394 course of the taxpayer's business. Any corporation, association,
3395 organization or other entity taxable under Section 27-7-23(c)
3396 shall allocate interest expense as provided in Section
3397 27-7-23(c) (3) (I).

3398 (c) **Taxes.** Taxes paid or accrued within the taxable
3399 year, except state and federal income taxes, excise taxes based on
3400 or measured by net income, estate and inheritance taxes, gift
3401 taxes, cigar and cigarette taxes, gasoline taxes, and sales and
3402 use taxes unless incurred as an item of expense in a trade or
3403 business or in the production of taxable income. In the case of
3404 an individual, taxes permitted as an itemized deduction under the



3405 provisions of subsection (3)(a) of this section are to be claimed
3406 thereunder.

3407 (d) **Business losses.**

3408 (i) Losses sustained during the taxable year not
3409 compensated for by insurance or otherwise, if incurred in trade or
3410 business, or nonbusiness transactions entered into for profit.

3411 (ii) Limitations on losses from passive activities
3412 and rental real estate shall conform to the provisions of the
3413 Internal Revenue Code of 1986.

3414 (e) **Bad debts.** Losses from debts ascertained to be
3415 worthless and charged off during the taxable year, if sustained in
3416 the conduct of the regular trade or business of the taxpayer;
3417 provided, that such losses shall be allowed only when the taxpayer
3418 has reported as income, on the accrual basis, the amount of such
3419 debt or account.

3420 (f) **Depreciation.** A reasonable allowance for
3421 exhaustion, wear and tear of property used in the trade or
3422 business, or rental property, and depreciation upon buildings
3423 based upon their reasonable value as of March 16, 1912, if
3424 acquired prior thereto, and upon cost if acquired subsequent to
3425 that date. In the case of new or used aircraft, equipment,
3426 engines, or other parts and tools used for aviation, allowance for
3427 bonus depreciation conforms with the federal bonus depreciation
3428 rates and reasonable allowance for depreciation under this section
3429 is no less than one hundred percent (100%).



3430 (g) **Depletion.** In the case of mines, oil and gas
3431 wells, other natural deposits and timber, a reasonable allowance
3432 for depletion and for depreciation of improvements, based upon
3433 cost, including cost of development, not otherwise deducted, or
3434 fair market value as of March 16, 1912, if acquired prior to that
3435 date, such allowance to be made upon regulations prescribed by the
3436 commissioner, with the approval of the Governor.

3437 (h) **Contributions or gifts.** Except as otherwise
3438 provided in paragraph (p) of this subsection or subsection (3)(a)
3439 of this section for individuals, contributions or gifts made by
3440 corporations within the taxable year to corporations,
3441 organizations, associations or institutions, including Community
3442 Chest funds, foundations and trusts created solely and exclusively
3443 for religious, charitable, scientific or educational purposes, or
3444 for the prevention of cruelty to children or animals, no part of
3445 the net earnings of which inure to the benefit of any private
3446 stockholder or individual. This deduction shall be allowed in an
3447 amount not to exceed twenty percent (20%) of the net income. Such
3448 contributions or gifts shall be allowable as deductions only if
3449 verified under rules and regulations prescribed by the
3450 commissioner, with the approval of the Governor. Contributions
3451 made in any form other than cash shall be allowed as a deduction,
3452 subject to the limitations herein provided, in an amount equal to
3453 the actual market value of the contributions at the time the
3454 contribution is actually made and consummated.



3455 (i) **Reserve funds - insurance companies.** In the case
3456 of insurance companies the net additions required by law to be
3457 made within the taxable year to reserve funds when such reserve
3458 funds are maintained for the purpose of liquidating policies at
3459 maturity.

3460 (j) **Annuity income.** The sums, other than dividends,
3461 paid within the taxpayer year on policy or annuity contracts when
3462 such income has been included in gross income.

3463 (k) **Contributions to employee pension plans.**
3464 Contributions made by an employer to a plan or a trust forming
3465 part of a pension plan, stock bonus plan, disability or
3466 death-benefit plan, or profit-sharing plan of such employer for
3467 the exclusive benefit of some or all of his, their, or its
3468 employees, or their beneficiaries, shall be deductible from his,
3469 their, or its income only to the extent that, and for the taxable
3470 year in which, the contribution is deductible for federal income
3471 tax purposes under the Internal Revenue Code of 1986 and any other
3472 provisions of similar purport in the Internal Revenue Laws of the
3473 United States, and the rules, regulations, rulings and
3474 determinations promulgated thereunder, provided that:

3475 (i) The plan or trust be irrevocable.

3476 (ii) The plan or trust constitute a part of a
3477 pension plan, stock bonus plan, disability or death-benefit plan,
3478 or profit-sharing plan for the exclusive benefit of some or all of
3479 the employer's employees and/or officers, or their beneficiaries,



3480 for the purpose of distributing the corpus and income of the plan
3481 or trust to such employees and/or officers, or their
3482 beneficiaries.

3483 (iii) No part of the corpus or income of the plan
3484 or trust can be used for purposes other than for the exclusive
3485 benefit of employees and/or officers, or their beneficiaries.

3486 Contributions to all plans or to all trusts of real or
3487 personal property (or real and personal property combined) or to
3488 insured plans created under a retirement plan for which provision
3489 has been made under the laws of the United States of America,
3490 making such contributions deductible from income for federal
3491 income tax purposes, shall be deductible only to the same extent
3492 under the Income Tax Laws of the State of Mississippi.

3493 (1) **Net operating loss carrybacks and carryovers.** A
3494 net operating loss for any taxable year ending after December 31,
3495 1993, and taxable years thereafter, shall be a net operating loss
3496 carryback to each of the three (3) taxable years preceding the
3497 taxable year of the loss. If the net operating loss for any
3498 taxable year is not exhausted by carrybacks to the three (3)
3499 taxable years preceding the taxable year of the loss, then there
3500 shall be a net operating loss carryover to each of the fifteen
3501 (15) taxable years following the taxable year of the loss
3502 beginning with any taxable year after December 31, 1991.

3503 For any taxable year ending after December 31, 1997, the
3504 period for net operating loss carrybacks and net operating loss



3505 carryovers shall be the same as those established by the Internal
3506 Revenue Code and the rules, regulations, rulings and
3507 determinations promulgated thereunder as in effect at the taxable
3508 year end or on December 31, 2000, whichever is earlier.

3509 A net operating loss for any taxable year ending after
3510 December 31, 2001, and taxable years thereafter, shall be a net
3511 operating loss carryback to each of the two (2) taxable years
3512 preceding the taxable year of the loss. If the net operating loss
3513 for any taxable year is not exhausted by carrybacks to the two (2)
3514 taxable years preceding the taxable year of the loss, then there
3515 shall be a net operating loss carryover to each of the twenty (20)
3516 taxable years following the taxable year of the loss beginning
3517 with any taxable year after the taxable year of the loss.

3518 The term "net operating loss," for the purposes of this
3519 paragraph, shall be the excess of the deductions allowed over the
3520 gross income; provided, however, the following deductions shall
3521 not be allowed in computing same:

3522 (i) No net operating loss deduction shall be
3523 allowed.

3524 (ii) No personal exemption deduction shall be
3525 allowed.

3526 (iii) Allowable deductions which are not
3527 attributable to taxpayer's trade or business shall be allowed only
3528 to the extent of the amount of gross income not derived from such
3529 trade or business.



3530 Any taxpayer entitled to a carryback period as provided by
3531 this paragraph may elect to relinquish the entire carryback period
3532 with respect to a net operating loss for any taxable year ending
3533 after December 31, 1991. The election shall be made in the manner
3534 prescribed by the Department of Revenue and shall be made by the
3535 due date, including extensions of time, for filing the taxpayer's
3536 return for the taxable year of the net operating loss for which
3537 the election is to be in effect. The election, once made for any
3538 taxable year, shall be irrevocable for that taxable year.

3539 (m) **Amortization of pollution or environmental control**
3540 **facilities.** Allowance of deduction. Every taxpayer, at his
3541 election, shall be entitled to a deduction for pollution or
3542 environmental control facilities to the same extent as that
3543 allowed under the Internal Revenue Code and the rules,
3544 regulations, rulings and determinations promulgated thereunder.

3545 (n) **Dividend distributions - real estate investment**
3546 **trusts.** "Real estate investment trust" (hereinafter referred to
3547 as REIT) shall have the meaning ascribed to such term in Section
3548 856 of the federal Internal Revenue Code of 1986, as amended. A
3549 REIT is allowed a dividend distributed deduction if the dividend
3550 distributions meet the requirements of Section 857 or are
3551 otherwise deductible under Section 858 or 860, federal Internal
3552 Revenue Code of 1986, as amended. In addition:

3553 (i) A dividend distributed deduction shall only be
3554 allowed for dividends paid by a publicly traded REIT. A qualified



3555 REIT subsidiary shall be allowed a dividend distributed deduction
3556 if its owner is a publicly traded REIT.

3557 (ii) Income generated from real estate contributed
3558 or sold to a REIT by a shareholder or related party shall not give
3559 rise to a dividend distributed deduction, unless the shareholder
3560 or related party would have received the dividend distributed
3561 deduction under this chapter.

3562 (iii) A holding corporation receiving a dividend
3563 from a REIT shall not be allowed the deduction in Section
3564 27-7-15(4) (t).

3565 (iv) Any REIT not allowed the dividend distributed
3566 deduction in the federal Internal Revenue Code of 1986, as
3567 amended, shall not be allowed a dividend distributed deduction
3568 under this chapter.

3569 The commissioner is authorized to promulgate rules and
3570 regulations consistent with the provisions in Section 269 of the
3571 federal Internal Revenue Code of 1986, as amended, so as to
3572 prevent the evasion or avoidance of state income tax.

3573 (o) **Contributions to college savings trust fund**
3574 **accounts.** Contributions or payments to a Mississippi Affordable
3575 College Savings Program account are deductible as provided under
3576 Section 37-155-113. Payments made under a prepaid tuition
3577 contract entered into under the Mississippi Prepaid Affordable
3578 College Tuition Program are deductible as provided under Section
3579 37-155-17.



3580 (p) **Contributions of human pharmaceutical products.** To
3581 the extent that a "major supplier" as defined in Section
3582 27-13-13(2) (d) contributes human pharmaceutical products in excess
3583 of Two Hundred Fifty Million Dollars (\$250,000,000.00) as
3584 determined under Section 170 of the Internal Revenue Code, the
3585 charitable contribution limitation associated with those donations
3586 shall follow the federal limitation but cannot result in the
3587 Mississippi net income being reduced below zero.

3588 (q) **Contributions to ABLE trust fund accounts.**
3589 Contributions or payments to a Mississippi Achieving a Better Life
3590 Experience (ABLE) Program account are deductible as provided under
3591 Section 43-28-13.

3592 (2) **Restrictions on the deductibility of certain intangible**
3593 **expenses and interest expenses with a related member.**

3594 (a) As used in this subsection (2):

3595 (i) "Intangible expenses and costs" include:

3596 1. Expenses, losses and costs for, related
3597 to, or in connection directly or indirectly with the direct or
3598 indirect acquisition, use, maintenance or management, ownership,
3599 sale, exchange or any other disposition of intangible property to
3600 the extent such amounts are allowed as deductions or costs in
3601 determining taxable income under this chapter;

3602 2. Expenses or losses related to or incurred
3603 in connection directly or indirectly with factoring transactions
3604 or discounting transactions;



3605 3. Royalty, patent, technical and copyright
3606 fees;

3607 4. Licensing fees; and

3608 5. Other similar expenses and costs.

3609 (ii) "Intangible property" means patents, patent
3610 applications, trade names, trademarks, service marks, copyrights
3611 and similar types of intangible assets.

3612 (iii) "Interest expenses and cost" means amounts
3613 directly or indirectly allowed as deductions for purposes of
3614 determining taxable income under this chapter to the extent such
3615 interest expenses and costs are directly or indirectly for,
3616 related to, or in connection with the direct or indirect
3617 acquisition, maintenance, management, ownership, sale, exchange or
3618 disposition of intangible property.

3619 (iv) "Related member" means an entity or person
3620 that, with respect to the taxpayer during all or any portion of
3621 the taxable year, is a related entity, a component member as
3622 defined in the Internal Revenue Code, or is an entity or a person
3623 to or from whom there is attribution of stock ownership in
3624 accordance with Section 1563(e) of the Internal Revenue Code.

3625 (v) "Related entity" means:

3626 1. A stockholder who is an individual or a
3627 member of the stockholder's family, as defined in regulations
3628 prescribed by the commissioner, if the stockholder and the members
3629 of the stockholder's family own, directly, indirectly,



3630 beneficially or constructively, in the aggregate, at least fifty
3631 percent (50%) of the value of the taxpayer's outstanding stock;

3632 2. A stockholder, or a stockholder's
3633 partnership, limited liability company, estate, trust or
3634 corporation, if the stockholder and the stockholder's
3635 partnerships, limited liability companies, estates, trusts and
3636 corporations own, directly, indirectly, beneficially or
3637 constructively, in the aggregate, at least fifty percent (50%) of
3638 the value of the taxpayer's outstanding stock;

3639 3. A corporation, or a party related to the
3640 corporation in a manner that would require an attribution of stock
3641 from the corporation to the party or from the party to the
3642 corporation, if the taxpayer owns, directly, indirectly,
3643 beneficially or constructively, at least fifty percent (50%) of
3644 the value of the corporation's outstanding stock under regulation
3645 prescribed by the commissioner;

3646 4. Any entity or person which would be a
3647 related member under this section if the taxpayer were considered
3648 a corporation for purposes of this section.

3649 (b) In computing net income, a taxpayer shall add back
3650 otherwise deductible interest expenses and costs and intangible
3651 expenses and costs directly or indirectly paid, accrued to or
3652 incurred, in connection directly or indirectly with one or more
3653 direct or indirect transactions with one or more related members.



3654 (c) The adjustments required by this subsection shall
3655 not apply to such portion of interest expenses and costs and
3656 intangible expenses and costs that the taxpayer can establish
3657 meets one (1) of the following:

3658 (i) The related member directly or indirectly
3659 paid, accrued or incurred such portion to a person during the same
3660 income year who is not a related member; or

3661 (ii) The transaction giving rise to the interest
3662 expenses and costs or intangible expenses and costs between the
3663 taxpayer and related member was done primarily for a valid
3664 business purpose other than the avoidance of taxes, and the
3665 related member is not primarily engaged in the acquisition, use,
3666 maintenance or management, ownership, sale, exchange or any other
3667 disposition of intangible property.

3668 (d) Nothing in this subsection shall require a taxpayer
3669 to add to its net income more than once any amount of interest
3670 expenses and costs or intangible expenses and costs that the
3671 taxpayer pays, accrues or incurs to a related member.

3672 (e) The commissioner may prescribe such regulations as
3673 necessary or appropriate to carry out the purposes of this
3674 subsection, including, but not limited to, clarifying definitions
3675 of terms, rules of stock attribution, factoring and discount
3676 transactions.

3677 (3) **Individual nonbusiness deductions.**



3678 (a) The amount allowable for individual nonbusiness
3679 itemized deductions for federal income tax purposes where the
3680 individual is eligible to elect, for the taxable year, to itemize
3681 deductions on his federal return except the following:

3682 (i) The deduction for state income taxes paid or
3683 other taxes allowed for federal purposes in lieu of state income
3684 taxes paid;

3685 (ii) The deduction for gaming losses from gaming
3686 establishments;

3687 (iii) The deduction for taxes collected by
3688 licensed gaming establishments pursuant to Section 27-7-901;

3689 (iv) The deduction for taxes collected by gaming
3690 establishments pursuant to Section 27-7-903.

3691 (b) In lieu of the individual nonbusiness itemized
3692 deductions authorized in paragraph (a), for all purposes other
3693 than ordinary and necessary expenses paid or incurred during the
3694 taxable year in carrying on any trade or business, an optional
3695 standard deduction of:

3696 (i) Three Thousand Four Hundred Dollars
3697 (\$3,400.00) through calendar year 1997, Four Thousand Two Hundred
3698 Dollars (\$4,200.00) for the calendar year 1998 and Four Thousand
3699 Six Hundred Dollars (\$4,600.00) for each calendar year thereafter
3700 in the case of married individuals filing a joint or combined
3701 return;



3702 (ii) One Thousand Seven Hundred Dollars
3703 (\$1,700.00) through calendar year 1997, Two Thousand One Hundred
3704 Dollars (\$2,100.00) for the calendar year 1998 and Two Thousand
3705 Three Hundred Dollars (\$2,300.00) for each calendar year
3706 thereafter in the case of married individuals filing separate
3707 returns;

3708 (iii) Three Thousand Four Hundred Dollars
3709 (\$3,400.00) in the case of a head of family; or

3710 (iv) Two Thousand Three Hundred Dollars
3711 (\$2,300.00) in the case of an individual who is not married.

3712 In the case of a husband and wife living together, having
3713 separate incomes, and filing combined returns, the standard
3714 deduction authorized may be divided in any manner they choose. In
3715 the case of separate returns by a husband and wife, the standard
3716 deduction shall not be allowed to either if the taxable income of
3717 one of the spouses is determined without regard to the standard
3718 deduction.

3719 (c) A nonresident individual shall be allowed the same
3720 individual nonbusiness deductions as are authorized for resident
3721 individuals in paragraph (a) or (b) of this subsection; however,
3722 the nonresident individual is entitled only to that proportion of
3723 the individual nonbusiness deductions as his net income from
3724 sources within the State of Mississippi bears to his total or
3725 entire net income from all sources.



(4) Nothing in this section shall permit the same item to be deducted more than once, either in fact or in effect.

SECTION 51. Section 27-65-111, Mississippi Code of 1972, is amended as follows:

27-65-111. The exemptions from the provisions of this chapter which are not industrial, agricultural or governmental, or which do not relate to utilities or taxes, or which are not properly classified as one (1) of the exemption classifications of this chapter, shall be confined to persons or property exempted by this section or by the Constitution of the United States or the State of Mississippi. No exemptions as now provided by any other section, except the classified exemption sections of this chapter set forth herein, shall be valid as against the tax herein levied. Any subsequent exemption from the tax levied hereunder, except as indicated above, shall be provided by amendments to this section.

No exemption provided in this section shall apply to taxes levied by Section 27-65-15 or 27-65-21, Mississippi Code of 1972.

The tax levied by this chapter shall not apply to the following:

(a) Sales of tangible personal property and services to hospitals or infirmaries owned and operated by a corporation or association in which no part of the net earnings inures to the benefit of any private shareholder, group or individual, and which are subject to and governed by Sections 41-7-123 through 41-7-127.



3750 Only sales of tangible personal property or services which
3751 are ordinary and necessary to the operation of such hospitals and
3752 infirmaries are exempted from tax.

3753 (b) Sales of daily or weekly newspapers, and
3754 periodicals or publications of scientific, literary or educational
3755 organizations exempt from federal income taxation under Section
3756 501(c)(3) of the Internal Revenue Code of 1954, as it exists as of
3757 March 31, 1975, and subscription sales of all magazines.

3758 (c) Sales of coffins, caskets and other materials used
3759 in the preparation of human bodies for burial.

3760 (d) Sales of tangible personal property for immediate
3761 export to a foreign country.

3762 (e) Sales of tangible personal property to an
3763 orphanage, old men's or ladies' home, supported wholly or in part
3764 by a religious denomination, fraternal nonprofit organization or
3765 other nonprofit organization.

3766 (f) Sales of tangible personal property, labor or
3767 services taxable under Sections 27-65-17, 27-65-19 and 27-65-23,
3768 to a YMCA, YWCA, a Boys' or Girls' Club owned and operated by a
3769 corporation or association in which no part of the net earnings
3770 inures to the benefit of any private shareholder, group or
3771 individual.

3772 (g) Sales to elementary and secondary grade schools,
3773 junior and senior colleges owned and operated by a corporation or
3774 association in which no part of the net earnings inures to the



3775 benefit of any private shareholder, group or individual, and which
3776 are exempt from state income taxation, provided that this
3777 exemption does not apply to sales of property or services which
3778 are not to be used in the ordinary operation of the school, or
3779 which are to be resold to the students or the public.

3780 (h) The gross proceeds of retail sales and the use or
3781 consumption in this state of drugs and medicines:

3782 (i) Prescribed for the treatment of a human being
3783 by a person authorized to prescribe the medicines, and dispensed
3784 or prescription filled by a registered pharmacist in accordance
3785 with law; or

3786 (ii) Furnished by a licensed physician, surgeon,
3787 dentist or podiatrist to his own patient for treatment of the
3788 patient; or

3789 (iii) Furnished by a hospital for treatment of any
3790 person pursuant to the order of a licensed physician, surgeon,
3791 dentist or podiatrist; or

3792 (iv) Sold to a licensed physician, surgeon,
3793 podiatrist, dentist or hospital for the treatment of a human
3794 being; or

3795 (v) Sold to this state or any political
3796 subdivision or municipal corporation thereof, for use in the
3797 treatment of a human being or furnished for the treatment of a
3798 human being by a medical facility or clinic maintained by this



3799 state or any political subdivision or municipal corporation
3800 thereof.

3801 "Medicines," as used in this paragraph (h), shall mean and
3802 include any substance or preparation intended for use by external
3803 or internal application to the human body in the diagnosis, cure,
3804 mitigation, treatment or prevention of disease and which is
3805 commonly recognized as a substance or preparation intended for
3806 such use; provided that "medicines" do not include any auditory,
3807 prosthetic, ophthalmic or ocular device or appliance, any dentures
3808 or parts thereof or any artificial limbs or their replacement
3809 parts, articles which are in the nature of splints, bandages,
3810 pads, compresses, supports, dressings, instruments, apparatus,
3811 contrivances, appliances, devices or other mechanical, electronic,
3812 optical or physical equipment or article or the component parts
3813 and accessories thereof, or any alcoholic beverage or any other
3814 drug or medicine not commonly referred to as a prescription drug.

3815 Notwithstanding the preceding sentence of this paragraph (h),
3816 "medicines" as used in this paragraph (h), shall mean and include
3817 sutures, whether or not permanently implanted, bone screws, bone
3818 pins, pacemakers and other articles permanently implanted in the
3819 human body to assist the functioning of any natural organ, artery,
3820 vein or limb and which remain or dissolve in the body.

3821 The exemption provided in this paragraph (h) shall not apply
3822 to medical cannabis sold in accordance with the provisions of the



Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder.

"Hospital," as used in this paragraph (h), shall have the meaning ascribed to it in Section 41-9-3, Mississippi Code of 1972.

Insulin furnished by a registered pharmacist to a person for treatment of diabetes as directed by a physician shall be deemed to be dispensed on prescription within the meaning of this paragraph (h).

(i) Retail sales of automobiles, trucks and truck-tractors if exported from this state within forty-eight (48) hours and registered and first used in another state.

(j) Sales of tangible personal property or services to the Salvation Army and the Muscular Dystrophy Association, Inc.

(k) From July 1, 1985, through December 31, 1992, retail sales of "alcohol-blended fuel" as such term is defined in Section 75-55-5. The gasoline-alcohol blend or the straight alcohol eligible for this exemption shall not contain alcohol distilled outside the State of Mississippi.

(l) Sales of tangible personal property or services to the Institute for Technology Development.

(m) The gross proceeds of retail sales of food and drink for human consumption made through vending machines serviced by full-line vendors from and not connected with other taxable businesses.



3848 (n) The gross proceeds of sales of motor fuel.

3849 (o) Retail sales of food for human consumption

3850 purchased with food stamps issued by the United States Department

3851 of Agriculture, or other federal agency, from and after October 1,

3852 1987, or from and after the expiration of any waiver granted

3853 pursuant to federal law, the effect of which waiver is to permit

3854 the collection by the state of tax on such retail sales of food

3855 for human consumption purchased with food stamps.

3856 (p) Sales of cookies for human consumption by the Girl

3857 Scouts of America no part of the net earnings from which sales

3858 inures to the benefit of any private group or individual.

3859 (q) Gifts or sales of tangible personal property or

3860 services to public or private nonprofit museums of art.

3861 (r) Sales of tangible personal property or services to

3862 alumni associations of state-supported colleges or universities.

3863 (s) Sales of tangible personal property or services to

3864 National Association of Junior Auxiliaries, Inc., and chapters of

3865 the National Association of Junior Auxiliaries, Inc.

3866 (t) Sales of tangible personal property or services to

3867 domestic violence shelters which qualify for state funding under

3868 Sections 93-21-101 through 93-21-113.

3869 (u) Sales of tangible personal property or services to

3870 the National Multiple Sclerosis Society, Mississippi Chapter.

3871 (v) Retail sales of food for human consumption

3872 purchased with food instruments issued the Mississippi Band of



3873 Choctaw Indians under the Women, Infants and Children Program
3874 (WIC) funded by the United States Department of Agriculture.

3875 (w) Sales of tangible personal property or services to
3876 a private company, as defined in Section 57-61-5, which is making
3877 such purchases with proceeds of bonds issued under Section 57-61-1
3878 et seq., the Mississippi Business Investment Act.

3879 (x) The gross collections from the operation of
3880 self-service, coin-operated car washing equipment and sales of the
3881 service of washing motor vehicles with portable high-pressure
3882 washing equipment on the premises of the customer.

3883 (y) Sales of tangible personal property or services to
3884 the Mississippi Technology Alliance.

3885 (z) Sales of tangible personal property to nonprofit
3886 organizations that provide foster care, adoption services and
3887 temporary housing for unwed mothers and their children if the
3888 organization is exempt from federal income taxation under Section
3889 501(c)(3) of the Internal Revenue Code.

3890 (aa) Sales of tangible personal property to nonprofit
3891 organizations that provide residential rehabilitation for persons
3892 with alcohol and drug dependencies if the organization is exempt
3893 from federal income taxation under Section 501(c)(3) of the
3894 Internal Revenue Code.

3895 (bb) (i) Retail sales of an article of clothing or
3896 footwear designed to be worn on or about the human body and retail
3897 sales of school supplies if the sales price of the article of



3898 clothing or footwear or school supply is less than One Hundred
3899 Dollars (\$100.00) and the sale takes place during a period
3900 beginning at 12:01 a.m. on the last Friday in July and ending at
3901 12:00 midnight the following Saturday. This paragraph (bb) shall
3902 not apply to:

3903 1. Accessories including jewelry, handbags,
3904 luggage, umbrellas, wallets, watches, briefcases, garment bags and
3905 similar items carried on or about the human body, without regard
3906 to whether worn on the body in a manner characteristic of
3907 clothing;

3908 2. The rental of clothing or footwear; and

3909 3. Skis, swim fins, roller blades, skates and
3910 similar items worn on the foot.

3911 (ii) For purposes of this paragraph (bb), "school
3912 supplies" means items that are commonly used by a student in a
3913 course of study. The following is an all-inclusive list:

3914 1. Backpacks;

3915 2. Binder pockets;

3916 3. Binders;

3917 4. Blackboard chalk;

3918 5. Book bags;

3919 6. Calculators;

3920 7. Cellophane tape;

3921 8. Clays and glazes;

3922 9. Compasses;



- 3923 10. Composition books;
- 3924 11. Crayons;
- 3925 12. Dictionaries and thesauruses;
- 3926 13. Dividers;
- 3927 14. Erasers;
- 3928 15. Folders: expandable, pocket, plastic and
- 3929 manila;
- 3930 16. Glue, paste and paste sticks;
- 3931 17. Highlighters;
- 3932 18. Index card boxes;
- 3933 19. Index cards;
- 3934 20. Legal pads;
- 3935 21. Lunch boxes;
- 3936 22. Markers;
- 3937 23. Notebooks;
- 3938 24. Paintbrushes for artwork;
- 3939 25. Paints: acrylic, tempera and oil;
- 3940 26. Paper: loose-leaf ruled notebook paper,
- 3941 copy paper, graph paper, tracing paper, manila paper, colored
- 3942 paper, poster board and construction paper;
- 3943 27. Pencil boxes and other school supply
- 3944 boxes;
- 3945 28. Pencil sharpeners;
- 3946 29. Pencils;
- 3947 30. Pens;



- 3948 31. Protractors;
3949 32. Reference books;
3950 33. Reference maps and globes;
3951 34. Rulers;
3952 35. Scissors;
3953 36. Sheet music;
3954 37. Sketch and drawing pads;
3955 38. Textbooks;
3956 39. Watercolors;
3957 40. Workbooks; and
3958 41. Writing tablets.

3959 (iii) From and after January 1, 2010, the
3960 governing authorities of a municipality, for retail sales
3961 occurring within the corporate limits of the municipality, may
3962 suspend the application of the exemption provided for in this
3963 paragraph (bb) by adoption of a resolution to that effect stating
3964 the date upon which the suspension shall take effect. A certified
3965 copy of the resolution shall be furnished to the Department of
3966 Revenue at least ninety (90) days prior to the date upon which the
3967 municipality desires such suspension to take effect.

3968 (cc) The gross proceeds of sales of tangible personal
3969 property made for the sole purpose of raising funds for a school
3970 or an organization affiliated with a school.



3971 As used in this paragraph (cc), "school" means any public or
3972 private school that teaches courses of instruction to students in
3973 any grade from Kindergarten through Grade 12.

3974 (dd) Sales of durable medical equipment and home
3975 medical supplies when ordered or prescribed by a licensed
3976 physician for medical purposes of a patient. As used in this
3977 paragraph (dd), "durable medical equipment" and "home medical
3978 supplies" mean equipment, including repair and replacement parts
3979 for the equipment or supplies listed under Title XVIII of the
3980 Social Security Act or under the state plan for medical assistance
3981 under Title XIX of the Social Security Act, prosthetics,
3982 orthotics, hearing aids, hearing devices, prescription eyeglasses,
3983 oxygen and oxygen equipment. Payment does not have to be made, in
3984 whole or in part, by any particular person to be eligible for this
3985 exemption. Purchases of home medical equipment and supplies by a
3986 provider of home health services or a provider of hospice services
3987 are eligible for this exemption if the purchases otherwise meet
3988 the requirements of this paragraph.

3989 (ee) Sales of tangible personal property or services to
3990 Mississippi Blood Services.

3991 (ff) (i) Subject to the provisions of this paragraph
3992 (ff), retail sales of firearms, ammunition and hunting supplies if
3993 sold during the annual Mississippi Second Amendment Weekend
3994 holiday beginning at 12:01 a.m. on the last Friday in August and
3995 ending at 12:00 midnight the following Sunday. For the purposes



3996 of this paragraph (ff), "hunting supplies" means tangible personal
3997 property used for hunting, including, and limited to, archery
3998 equipment, firearm and archery cases, firearm and archery
3999 accessories, hearing protection, holsters, belts and slings.
4000 Hunting supplies does not include animals used for hunting.

4001 (ii) This paragraph (ff) shall apply only if one
4002 or more of the following occur:

4003 1. Title to and/or possession of an eligible
4004 item is transferred from a seller to a purchaser; and/or

4005 2. A purchaser orders and pays for an
4006 eligible item and the seller accepts the order for immediate
4007 shipment, even if delivery is made after the time period provided
4008 in subparagraph (i) of this paragraph (ff), provided that the
4009 purchaser has not requested or caused the delay in shipment.

4010 (gg) Sales of nonperishable food items to charitable
4011 organizations that are exempt from federal income taxation under
4012 Section 501(c)(3) of the Internal Revenue Code and operate a food
4013 bank or food pantry or food lines.

4014 (hh) Sales of tangible personal property or services to
4015 the United Way of the Pine Belt Region, Inc.

4016 (ii) Sales of tangible personal property or services to
4017 the Mississippi Children's Museum or any subsidiary or affiliate
4018 thereof operating a satellite or branch museum within this state.

4019 (jj) Sales of tangible personal property or services to
4020 the Jackson Zoological Park.



4021 (kk) Sales of tangible personal property or services to
4022 the Hattiesburg Zoo.

4023 (ll) Gross proceeds from sales of food, merchandise or
4024 other concessions at an event held solely for religious or
4025 charitable purposes at livestock facilities, agriculture
4026 facilities or other facilities constructed, renovated or expanded
4027 with funds for the grant program authorized under Section 18,
4028 Chapter 530, Laws of 1995.

4029 (mm) Sales of tangible personal property and services
4030 to the Diabetes Foundation of Mississippi and the Mississippi
4031 Chapter of the Juvenile Diabetes Research Foundation.

4032 (nn) Sales of potting soil, mulch, or other soil
4033 amendments used in growing ornamental plants which bear no fruit
4034 of commercial value when sold to commercial plant nurseries that
4035 operate exclusively at wholesale and where no retail sales can be
4036 made.

4037 (oo) Sales of tangible personal property or services to
4038 the University of Mississippi Medical Center Research Development
4039 Foundation.

4040 (pp) Sales of tangible personal property or services to
4041 Keep Mississippi Beautiful, Inc., and all affiliates of Keep
4042 Mississippi Beautiful, Inc.

4043 (qq) Sales of tangible personal property or services to
4044 the Friends of Children's Hospital.



4045 (rr) Sales of tangible personal property or services to
4046 the Pinecrest Weekend Backpacks for Kids located in Corinth,
4047 Mississippi.

4048 (ss) Sales of hearing aids when ordered or prescribed
4049 by a licensed physician, audiologist or hearing aid specialist for
4050 the medical purposes of a patient.

4051 (tt) Sales exempt under the Facilitating Business Rapid
4052 Response to State Declared Disasters Act of 2015 (Sections
4053 27-113-1 through 27-113-9).

4054 (uu) Sales of tangible personal property or services to
4055 the Junior League of Jackson.

4056 (vv) Sales of tangible personal property or services to
4057 the Mississippi's Toughest Kids Foundation for use in the
4058 construction, furnishing and equipping of buildings and related
4059 facilities and infrastructure at Camp Kamassa in Copiah County,
4060 Mississippi. This paragraph (vv) shall stand repealed on July 1,
4061 2022.

4062 (wv) Sales of tangible personal property or services to
4063 MS Gulf Coast Buddy Sports, Inc.

4064 (xx) Sales of tangible personal property or services to
4065 Biloxi Lions, Inc.

4066 (yy) Sales of tangible personal property or services to
4067 Lions Sight Foundation of Mississippi, Inc.



4068 (zz) Sales of tangible personal property and services
4069 to the Goldring/Woldenberg Institute of Southern Jewish Life
4070 (ISJL).

4071 **SECTION 52.** Section 33-13-520, Mississippi Code of 1972, is
4072 amended as follows:

4073 33-13-520. (1) Any person subject to this code who uses,
4074 while on duty, any controlled substance listed in the Uniform
4075 Controlled Substances Law, not legally prescribed, or is found, by
4076 a chemical analysis of such person's blood or urine, to have in
4077 his blood, while on duty, any controlled substance described in
4078 subsection (3), not legally prescribed, shall be punished as a
4079 court-martial may direct.

4080 (2) Any person subject to this code who wrongfully uses,
4081 possesses, manufactures, distributes, imports into the customs
4082 territory of the United States, exports from the United States, or
4083 introduces into an installation, vessel, vehicle or aircraft used
4084 by or under the control of the state military forces a substance
4085 described in subsection (3) shall be punished as a court-martial
4086 may direct.

4087 (3) The substances referred to in subsections (1) and (2)
4088 are the following:

4089 (a) Opium, heroin, cocaine, amphetamine, lysergic acid
4090 diethylamide, methamphetamine, phencyclidine, barbituric acid, and
4091 marijuana and any compound or derivative of any such substance.

4092 For the purposes of this paragraph (a), "marijuana" shall not



4093 include medical cannabis that is lawful under the Mississippi
4094 Medical Cannabis Act and in compliance with rules and regulations
4095 adopted thereunder.

4096 (b) Any substance not specified in paragraph (a) that
4097 is listed on a schedule of controlled substance prescribed by the
4098 President for the purposes of the federal Uniform Code of Military
4099 Justice.

4100 (c) Any other substance not specified in paragraph (a)
4101 or contained on a list prescribed by the President under paragraph
4102 (b) that is listed in Schedules I through V of Section 202 of the
4103 federal Controlled Substances Act (21 USCS 812).

4104 **SECTION 53.** Section 37-11-29, Mississippi Code of 1972, is
4105 amended as follows:

4106 37-11-29. (1) Any principal, teacher or other school
4107 employee who has knowledge of any unlawful activity which occurred
4108 on educational property or during a school related activity or
4109 which may have occurred shall report such activity to the
4110 superintendent of the school district or his designee who shall
4111 notify the appropriate law enforcement officials as required by
4112 this section. In the event of an emergency or if the
4113 superintendent or his designee is unavailable, any principal may
4114 make a report required under this subsection.

4115 (2) Whenever any person who shall be an enrolled student in
4116 any school or educational institution in this state supported in
4117 whole or in part by public funds, or who shall be an enrolled



4118 student in any private school or educational institution, is
4119 arrested for, and lawfully charged with, the commission of any
4120 crime and convicted upon the charge for which he was arrested, or
4121 convicted of any crime charged against him after his arrest and
4122 before trial, the office or law enforcement department of which
4123 the arresting officer is a member, and the justice court judge and
4124 any circuit judge or court before whom such student is tried upon
4125 said charge or charges, shall make or cause to be made a report
4126 thereof to the superintendent or the president or chancellor, as
4127 the case may be, of the school district or other educational
4128 institution in which such student is enrolled.

4129 If the charge upon which such student was arrested, or any
4130 other charges preferred against him are dismissed or nol prossed,
4131 or if upon trial he is either convicted or acquitted of such
4132 charge or charges, same shall be reported to said respective
4133 superintendent or president, or chancellor, as the case may be. A
4134 copy of said report shall be sent to the Secretary of the Board of
4135 Trustees of State Institutions of Higher Learning of the State of
4136 Mississippi, at Jackson, Mississippi.

4137 Said report shall be made within one (1) week after the
4138 arrest of such student and within one (1) week after any charge
4139 placed against him is dismissed or nol prossed, and within one (1)
4140 week after he shall have pled guilty, been convicted, or have been
4141 acquitted by trial upon any charge placed against him. This



4142 section shall not apply to ordinary traffic violations involving a
4143 penalty of less than Fifty Dollars (\$50.00) and costs.

4144 The State Superintendent of Public Education shall gather
4145 annually all of the reports provided under this section and
4146 prepare a report on the number of students arrested as a result of
4147 any unlawful activity which occurred on educational property or
4148 during a school related activity. All data must be disaggregated
4149 by race, ethnicity, gender, school, offense and law enforcement
4150 agency involved. However, the report prepared by the State
4151 Superintendent of Public Education shall not include the identity
4152 of any student who was arrested.

4153 On or before January 1 of each year, the State Superintendent
4154 of Public Education shall report to the Governor, the Lieutenant
4155 Governor, the Speaker of the House of Representatives and the
4156 Joint PEER Committee on this section. The report must include
4157 data regarding arrests as a result of any unlawful activity which
4158 occurred on educational property or during a school related
4159 activity.

4160 (3) When the superintendent or his designee has a reasonable
4161 belief that an act has occurred on educational property or during
4162 a school related activity involving any of the offenses set forth
4163 in subsection (6) of this section, the superintendent or his
4164 designee shall immediately report the act to the appropriate local
4165 law enforcement agency. For purposes of this subsection, "school
4166 property" shall include any public school building, bus, public



4167 school campus, grounds, recreational area or athletic field in the
4168 charge of the superintendent. The State Board of Education shall
4169 prescribe a form for making reports required under this
4170 subsection. Any superintendent or his designee who fails to make
4171 a report required by this section shall be subject to the
4172 penalties provided in Section 37-11-35.

4173 (4) The law enforcement authority shall immediately dispatch
4174 an officer to the educational institution and with probable cause
4175 the officer is authorized to make an arrest if necessary as
4176 provided in Section 99-3-7.

4177 (5) Any superintendent, principal, teacher or other school
4178 personnel participating in the making of a required report
4179 pursuant to this section or participating in any judicial
4180 proceeding resulting therefrom shall be presumed to be acting in
4181 good faith. Any person reporting in good faith shall be immune
4182 from any civil liability that might otherwise be incurred or
4183 imposed.

4184 (6) For purposes of this section, "unlawful activity" means
4185 any of the following:

4186 (a) Possession or use of a deadly weapon, as defined in
4187 Section 97-37-1;

4188 (b) Possession, sale or use of any controlled
4189 substance;

4190 (c) Aggravated assault, as defined in Section 97-3-7;



(d) Simple assault, as defined in Section 97-3-7, upon any school employee;

(e) Rape, as defined under Mississippi law;

(f) Sexual battery, as defined under Mississippi law;

(g) Murder, as defined under Mississippi law;

(h) Kidnapping, as defined under Mississippi law; or

(i) Fondling, touching, handling, etc., a child for lustful purposes, as defined in Section 97-5-23.

For the purposes of this subsection (6), the term "controlled substance" does not include the possession or use of medical cannabis that is lawful under the Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder.

SECTION 54. Section 41-3-15, Mississippi Code of 1972, is brought forward as follows:

41-3-15. (1) (a) There shall be a State Department of Health.

(b) The State Board of Health shall have the following powers and duties:

(i) To formulate the policy of the State Department of Health regarding public health matters within the jurisdiction of the department;

(ii) To adopt, modify, repeal and promulgate, after due notice and hearing, and enforce rules and regulations implementing or effectuating the powers and duties of the



4215 department under any and all statutes within the department's
4216 jurisdiction, and as the board may deem necessary;

4217 (iii) To apply for, receive, accept and expend any
4218 federal or state funds or contributions, gifts, trusts, devises,
4219 bequests, grants, endowments or funds from any other source or
4220 transfers of property of any kind;

4221 (iv) To enter into, and to authorize the executive
4222 officer to execute contracts, grants and cooperative agreements
4223 with any federal or state agency or subdivision thereof, or any
4224 public or private institution located inside or outside the State
4225 of Mississippi, or any person, corporation or association in
4226 connection with carrying out the provisions of this chapter, if it
4227 finds those actions to be in the public interest and the contracts
4228 or agreements do not have a financial cost that exceeds the
4229 amounts appropriated for those purposes by the Legislature;

4230 (v) To appoint, upon recommendation of the
4231 Executive Officer of the State Department of Health, a Director of
4232 Internal Audit who shall be either a Certified Public Accountant
4233 or Certified Internal Auditor, and whose employment shall be
4234 continued at the discretion of the board, and who shall report
4235 directly to the board, or its designee; and

4236 (vi) To discharge such other duties,
4237 responsibilities and powers as are necessary to implement the
4238 provisions of this chapter.



4239 (c) The Executive Officer of the State Department of
4240 Health shall have the following powers and duties:

4241 (i) To administer the policies of the State Board
4242 of Health within the authority granted by the board;

4243 (ii) To supervise and direct all administrative
4244 and technical activities of the department, except that the
4245 department's internal auditor shall be subject to the sole
4246 supervision and direction of the board;

4247 (iii) To organize the administrative units of the
4248 department in accordance with the plan adopted by the board and,
4249 with board approval, alter the organizational plan and reassign
4250 responsibilities as he or she may deem necessary to carry out the
4251 policies of the board;

4252 (iv) To coordinate the activities of the various
4253 offices of the department;

4254 (v) To employ, subject to regulations of the State
4255 Personnel Board, qualified professional personnel in the subject
4256 matter or fields of each office, and such other technical and
4257 clerical staff as may be required for the operation of the
4258 department. The executive officer shall be the appointing
4259 authority for the department, and shall have the power to delegate
4260 the authority to appoint or dismiss employees to appropriate
4261 subordinates, subject to the rules and regulations of the State
4262 Personnel Board;



4263 (vi) To recommend to the board such studies and
4264 investigations as he or she may deem appropriate, and to carry out
4265 the approved recommendations in conjunction with the various
4266 offices;

4267 (vii) To prepare and deliver to the Legislature
4268 and the Governor on or before January 1 of each year, and at such
4269 other times as may be required by the Legislature or Governor, a
4270 full report of the work of the department and the offices thereof,
4271 including a detailed statement of expenditures of the department
4272 and any recommendations the board may have;

4273 (viii) To prepare and deliver to the Chairmen of
4274 the Public Health and Welfare/Human Services Committees of the
4275 Senate and House on or before January 1 of each year, a plan for
4276 monitoring infant mortality in Mississippi and a full report of
4277 the work of the department on reducing Mississippi's infant
4278 mortality and morbidity rates and improving the status of maternal
4279 and infant health; and

4280 (ix) To enter into contracts, grants and
4281 cooperative agreements with any federal or state agency or
4282 subdivision thereof, or any public or private institution located
4283 inside or outside the State of Mississippi, or any person,
4284 corporation or association in connection with carrying out the
4285 provisions of this chapter, if he or she finds those actions to be
4286 in the public interest and the contracts or agreements do not have
4287 a financial cost that exceeds the amounts appropriated for those



4288 purposes by the Legislature. Each contract or agreement entered
4289 into by the executive officer shall be submitted to the board
4290 before its next meeting.

4291 (2) The State Board of Health shall have the authority to
4292 establish an Office of Rural Health within the department. The
4293 duties and responsibilities of this office shall include the
4294 following:

4295 (a) To collect and evaluate data on rural health
4296 conditions and needs;

4297 (b) To engage in policy analysis, policy development
4298 and economic impact studies with regard to rural health issues;

4299 (c) To develop and implement plans and provide
4300 technical assistance to enable community health systems to respond
4301 to various changes in their circumstances;

4302 (d) To plan and assist in professional recruitment and
4303 retention of medical professionals and assistants; and

4304 (e) To establish information clearinghouses to improve
4305 access to and sharing of rural health care information.

4306 (3) The State Board of Health shall have general supervision
4307 of the health interests of the people of the state and to exercise
4308 the rights, powers and duties of those acts which it is authorized
4309 by law to enforce.

4310 (4) The State Board of Health shall have authority:

4311 (a) To make investigations and inquiries with respect
4312 to the causes of disease and death, and to investigate the effect



4313 of environment, including conditions of employment and other
4314 conditions that may affect health, and to make such other
4315 investigations as it may deem necessary for the preservation and
4316 improvement of health.

4317 (b) To make such sanitary investigations as it may,
4318 from time to time, deem necessary for the protection and
4319 improvement of health and to investigate nuisance questions that
4320 affect the security of life and health within the state.

4321 (c) To direct and control sanitary and quarantine
4322 measures for dealing with all diseases within the state possible
4323 to suppress same and prevent their spread.

4324 (d) To obtain, collect and preserve such information
4325 relative to mortality, morbidity, disease and health as may be
4326 useful in the discharge of its duties or may contribute to the
4327 prevention of disease or the promotion of health in this state.

4328 (e) To charge and collect reasonable fees for health
4329 services, including immunizations, inspections and related
4330 activities, and the board shall charge fees for those services;
4331 however, if it is determined that a person receiving services is
4332 unable to pay the total fee, the board shall collect any amount
4333 that the person is able to pay. Any increase in the fees charged
4334 by the board under this paragraph shall be in accordance with the
4335 provisions of Section 41-3-65.

4336 (f) (i) To establish standards for, issue permits and
4337 exercise control over, any cafes, restaurants, food or drink



4338 stands, sandwich manufacturing establishments, and all other
4339 establishments, other than churches, church-related and private
4340 schools, and other nonprofit or charitable organizations, where
4341 food or drink is regularly prepared, handled and served for pay;
4342 and

4343 (ii) To require that a permit be obtained from the
4344 Department of Health before those persons begin operation. If any
4345 such person fails to obtain the permit required in this
4346 subparagraph (ii), the State Board of Health, after due notice and
4347 opportunity for a hearing, may impose a monetary penalty not to
4348 exceed One Thousand Dollars (\$1,000.00) for each violation.
4349 However, the department is not authorized to impose a monetary
4350 penalty against any person whose gross annual prepared food sales
4351 are less than Five Thousand Dollars (\$5,000.00). Money collected
4352 by the board under this subparagraph (ii) shall be deposited to
4353 the credit of the State General Fund of the State Treasury.

4354 (g) To promulgate rules and regulations and exercise
4355 control over the production and sale of milk pursuant to the
4356 provisions of Sections 75-31-41 through 75-31-49.

4357 (h) On presentation of proper authority, to enter into
4358 and inspect any public place or building where the State Health
4359 Officer or his representative deems it necessary and proper to
4360 enter for the discovery and suppression of disease and for the
4361 enforcement of any health or sanitary laws and regulations in the
4362 state.



4363 (i) To conduct investigations, inquiries and hearings,
4364 and to issue subpoenas for the attendance of witnesses and the
4365 production of books and records at any hearing when authorized and
4366 required by statute to be conducted by the State Health Officer or
4367 the State Board of Health.

4368 (j) To promulgate rules and regulations, and to collect
4369 data and information, on (i) the delivery of services through the
4370 practice of telemedicine; and (ii) the use of electronic records
4371 for the delivery of telemedicine services.

4372 (k) To enforce and regulate domestic and imported fish
4373 as authorized under Section 69-7-601 et seq.

4374 (5) (a) The State Board of Health shall have the authority,
4375 in its discretion, to establish programs to promote the public
4376 health, to be administered by the State Department of Health.
4377 Specifically, those programs may include, but shall not be limited
4378 to, programs in the following areas:

- 4379 (i) Maternal and child health;
- 4380 (ii) Family planning;
- 4381 (iii) Pediatric services;
- 4382 (iv) Services to crippled and disabled children;
- 4383 (v) Control of communicable and noncommunicable
4384 disease;
- 4385 (vi) Chronic disease;
- 4386 (vii) Accidental deaths and injuries;
- 4387 (viii) Child care licensure;



4388 (ix) Radiological health;
4389 (x) Dental health;
4390 (xi) Milk sanitation;
4391 (xii) Occupational safety and health;
4392 (xiii) Food, vector control and general
4393 sanitation;
4394 (xiv) Protection of drinking water;
4395 (xv) Sanitation in food handling establishments
4396 open to the public;
4397 (xvi) Registration of births and deaths and other
4398 vital events;
4399 (xvii) Such public health programs and services as
4400 may be assigned to the State Board of Health by the Legislature or
4401 by executive order; and
4402 (xviii) Regulation of domestic and imported fish
4403 for human consumption.
4404 (b) The State Board of Health and State Department of
4405 Health shall not be authorized to sell, transfer, alienate or
4406 otherwise dispose of any of the home health agencies owned and
4407 operated by the department on January 1, 1995, and shall not be
4408 authorized to sell, transfer, assign, alienate or otherwise
4409 dispose of the license of any of those home health agencies,
4410 except upon the specific authorization of the Legislature by an
4411 amendment to this section. However, this paragraph (b) shall not
4412 prevent the board or the department from closing or terminating



4413 the operation of any home health agency owned and operated by the
4414 department, or closing or terminating any office, branch office or
4415 clinic of any such home health agency, or otherwise discontinuing
4416 the providing of home health services through any such home health
4417 agency, office, branch office or clinic, if the board first
4418 demonstrates that there are other providers of home health
4419 services in the area being served by the department's home health
4420 agency, office, branch office or clinic that will be able to
4421 provide adequate home health services to the residents of the area
4422 if the department's home health agency, office, branch office or
4423 clinic is closed or otherwise discontinues the providing of home
4424 health services. This demonstration by the board that there are
4425 other providers of adequate home health services in the area shall
4426 be spread at length upon the minutes of the board at a regular or
4427 special meeting of the board at least thirty (30) days before a
4428 home health agency, office, branch office or clinic is proposed to
4429 be closed or otherwise discontinue the providing of home health
4430 services.

4431 (c) The State Department of Health may undertake such
4432 technical programs and activities as may be required for the
4433 support and operation of those programs, including maintaining
4434 physical, chemical, bacteriological and radiological laboratories,
4435 and may make such diagnostic tests for diseases and tests for the
4436 evaluation of health hazards as may be deemed necessary for the
4437 protection of the people of the state.



4438 (6) (a) The State Board of Health shall administer the
4439 local governments and rural water systems improvements loan
4440 program in accordance with the provisions of Section 41-3-16.

4441 (b) The State Board of Health shall have authority:

4442 (i) To enter into capitalization grant agreements
4443 with the United States Environmental Protection Agency, or any
4444 successor agency thereto;

4445 (ii) To accept capitalization grant awards made
4446 under the federal Safe Drinking Water Act, as amended;

4447 (iii) To provide annual reports and audits to the
4448 United States Environmental Protection Agency, as may be required
4449 by federal capitalization grant agreements; and

4450 (iv) To establish and collect fees to defray the
4451 reasonable costs of administering the revolving fund or emergency
4452 fund if the State Board of Health determines that those costs will
4453 exceed the limitations established in the federal Safe Drinking
4454 Water Act, as amended. The administration fees may be included in
4455 loan amounts to loan recipients for the purpose of facilitating
4456 payment to the board; however, those fees may not exceed five
4457 percent (5%) of the loan amount.

4458 (7) Notwithstanding any other provision to the contrary, the
4459 State Department of Health shall have the following specific
4460 powers: The department shall issue a license to Alexander Milne
4461 Home for Women, Inc., a 501(c)(3) nonprofit corporation, for the
4462 construction, conversion, expansion and operation of not more than



4463 forty-five (45) beds for developmentally disabled adults who have
4464 been displaced from New Orleans, Louisiana, with the beds to be
4465 located in a certified ICF-MR facility in the City of Laurel,
4466 Mississippi. There shall be no prohibition or restrictions on
4467 participation in the Medicaid program for the person receiving the
4468 license under this subsection (7). The license described in this
4469 subsection shall expire five (5) years from the date of its issue.
4470 The license authorized by this subsection shall be issued upon the
4471 initial payment by the licensee of an application fee of
4472 Sixty-seven Thousand Dollars (\$67,000.00) and a monthly fee of
4473 Sixty-seven Thousand Dollars (\$67,000.00) after the issuance of
4474 the license, to be paid as long as the licensee continues to
4475 operate. The initial and monthly licensing fees shall be
4476 deposited by the State Department of Health into the special fund
4477 created under Section 41-7-188.

4478 (8) Notwithstanding any other provision to the contrary, the
4479 State Department of Health shall have the following specific
4480 powers: The State Department of Health is authorized to issue a
4481 license to an existing home health agency for the transfer of a
4482 county from that agency to another existing home health agency,
4483 and to charge a fee for reviewing and making a determination on
4484 the application for such transfer not to exceed one-half (1/2) of
4485 the authorized fee assessed for the original application for the
4486 home health agency, with the revenue to be deposited by the State



4487 Department of Health into the special fund created under Section
4488 41-7-188.

4489 (9) Notwithstanding any other provision to the contrary, the
4490 State Department of Health shall have the following specific
4491 powers: For the period beginning July 1, 2010, through July 1,
4492 2017, the State Department of Health is authorized and empowered
4493 to assess a fee in addition to the fee prescribed in Section
4494 41-7-188 for reviewing applications for certificates of need in an
4495 amount not to exceed twenty-five one-hundredths of one percent
4496 (.25 of 1%) of the amount of a proposed capital expenditure, but
4497 shall be not less than Two Hundred Fifty Dollars (\$250.00)
4498 regardless of the amount of the proposed capital expenditure, and
4499 the maximum additional fee permitted shall not exceed Fifty
4500 Thousand Dollars (\$50,000.00). Provided that the total
4501 assessments of fees for certificate of need applications under
4502 Section 41-7-188 and this section shall not exceed the actual cost
4503 of operating the certificate of need program.

4504 (10) Notwithstanding any other provision to the contrary,
4505 the State Department of Health shall have the following specific
4506 powers: The State Department of Health is authorized to extend
4507 and renew any certificate of need that has expired, and to charge
4508 a fee for reviewing and making a determination on the application
4509 for such action not to exceed one-half (1/2) of the authorized fee
4510 assessed for the original application for the certificate of need,



4511 with the revenue to be deposited by the State Department of Health
4512 into the special fund created under Section 41-7-188.

4513 (11) Notwithstanding any other provision to the contrary,
4514 the State Department of Health shall have the following specific
4515 powers: The State Department of Health is authorized and
4516 empowered, to revoke, immediately, the license and require closure
4517 of any institution for the aged or infirm, including any other
4518 remedy less than closure to protect the health and safety of the
4519 residents of said institution or the health and safety of the
4520 general public.

4521 (12) Notwithstanding any other provision to the contrary,
4522 the State Department of Health shall have the following specific
4523 powers: The State Department of Health is authorized and
4524 empowered, to require the temporary detainment of individuals for
4525 disease control purposes based upon violation of any order of the
4526 State Health Officer, as provided in Section 41-23-5. For the
4527 purpose of enforcing such orders of the State Health Officer,
4528 persons employed by the department as investigators shall have
4529 general arrest powers. All law enforcement officers are
4530 authorized and directed to assist in the enforcement of such
4531 orders of the State Health Officer.

4532 **SECTION 55.** Section 41-29-125, Mississippi Code of 1972, is
4533 amended as follows:

4534 41-29-125. (1) The State Board of Pharmacy may promulgate
4535 rules and regulations relating to the registration and control of



4536 the manufacture, distribution and dispensing of controlled
4537 substances within this state and the distribution and dispensing
4538 of controlled substances into this state from an out-of-state
4539 location.

4540 (a) Every person who manufactures, distributes or
4541 dispenses any controlled substance within this state or who
4542 distributes or dispenses any controlled substance into this state
4543 from an out-of-state location, or who proposes to engage in the
4544 manufacture, distribution or dispensing of any controlled
4545 substance within this state or the distribution or dispensing of
4546 any controlled substance into this state from an out-of-state
4547 location, must obtain a registration issued by the State Board of
4548 Pharmacy, the State Board of Medical Licensure, the State Board of
4549 Dental Examiners, the Mississippi Board of Nursing or the
4550 Mississippi Board of Veterinary Medicine, as appropriate, in
4551 accordance with its rules and the law of this state. Such
4552 registration shall be obtained annually or biennially, as
4553 specified by the issuing board, and a reasonable fee may be
4554 charged by the issuing board for such registration.

4555 (b) Persons registered by the State Board of Pharmacy,
4556 with the consent of the United States Drug Enforcement
4557 Administration and the State Board of Medical Licensure, the State
4558 Board of Dental Examiners, the Mississippi Board of Nursing or the
4559 Mississippi Board of Veterinary Medicine to manufacture,
4560 distribute, dispense or conduct research with controlled



4561 substances may possess, manufacture, distribute, dispense or
4562 conduct research with those substances to the extent authorized by
4563 their registration and in conformity with the other provisions of
4564 this article.

4565 (c) The following persons need not register and may
4566 lawfully possess controlled substances under this article:

4567 (1) An agent or employee of any registered
4568 manufacturer, distributor or dispenser of any controlled substance
4569 if he is acting in the usual course of his business or employment;

4570 (2) A common or contract carrier or warehouse, or
4571 an employee thereof, whose possession of any controlled substance
4572 is in the usual course of business or employment;

4573 (3) An ultimate user or a person in possession of
4574 any controlled substance pursuant to a valid prescription or in
4575 lawful possession of a Schedule V substance as defined in Section
4576 41-29-121.

4577 (d) The State Board of Pharmacy may waive by rule the
4578 requirement for registration of certain manufacturers,
4579 distributors or dispensers if it finds it consistent with the
4580 public health and safety.

4581 (e) A separate registration is required at each
4582 principal place of business or professional practice where an
4583 applicant within the state manufactures, distributes or dispenses
4584 controlled substances and for each principal place of business or



professional practice located out-of-state from which controlled substances are distributed or dispensed into the state.

(f) The State Board of Pharmacy, the Mississippi Bureau of Narcotics, the State Board of Medical Licensure, the State Board of Dental Examiners, the Mississippi Board of Nursing and the Mississippi Board of Veterinary Medicine may inspect the establishment of a registrant or applicant for registration in accordance with the regulations of these agencies as approved by the board.

(2) Whenever a pharmacy ships, mails or delivers any Schedule II controlled substance listed in Section 41-29-115 to a private residence in this state, the pharmacy shall arrange with the entity that will actually deliver the controlled substance to a recipient in this state that the entity will: (a) deliver the controlled substance only to a person who is eighteen (18) years of age or older; and (b) obtain the signature of that person before delivering the controlled substance. The requirements of this subsection shall not apply to a pharmacy serving a nursing facility or to a pharmacy owned and/or operated by a hospital, nursing facility or clinic to which the general public does not have access to purchase pharmaceuticals on a retail basis.

(3) This section does not apply to any of the actions that are lawful under the Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder.



4609 **SECTION 56.** Section 41-29-127, Mississippi Code of 1972, is
4610 amended as follows:

4611 41-29-127. (a) The State Board of Pharmacy shall register
4612 an applicant to manufacture or distribute controlled substances
4613 included in Sections 41-29-113 through 41-29-121 unless it
4614 determines that the issuance of that registration would be
4615 inconsistent with the public interest. In determining the public
4616 interest, the State Board of Pharmacy shall consider the following
4617 factors:

4618 (1) Maintenance of effective controls against diversion
4619 of controlled substances into other than legitimate medical,
4620 scientific, or industrial channels;

4621 (2) Compliance with applicable state and local law;

4622 (3) Any convictions of the applicant under any federal
4623 and state laws relating to any controlled substance;

4624 (4) Past experience in the manufacture or distribution
4625 of controlled substances and the existence in the applicant's
4626 establishment of effective controls against diversion;

4627 (5) Furnishing by the applicant of false or fraudulent
4628 material in any application filed under this article;

4629 (6) Suspension or revocation of the applicant's federal
4630 registration to manufacture, distribute, or dispense controlled
4631 substances as authorized by federal law; and

4632 (7) Any other factors relevant to and consistent with
4633 the public health and safety.



(b) Registration under subsection (a) does not entitle a registrant to manufacture and distribute controlled substances in Schedule I or II, as set out in Sections 41-29-113 and 41-29-115, other than those specified in the registration.

(c) Practitioners must be registered to dispense any controlled substances or to conduct research with controlled substances in Schedules II through V, as set out in Sections 41-29-115 through 41-29-121, if they are authorized to dispense or conduct research under the law of this state. The State Board of Pharmacy need not require separate registration under this section for practitioners engaging in research with nonnarcotic controlled substances in the said Schedules II through V where the registrant is already registered therein in another capacity. Practitioners registered under federal law to conduct research with Schedule I substances, as set out in Section 41-29-113, may conduct research with Schedule I substances within this state upon furnishing the State Board of Health evidence of that federal registration.

(d) Compliance by manufacturers and distributors with the provisions of the federal law respecting registration (excluding fees) entitles them to be registered under this article.

(e) This section does not apply to any of the actions that are lawful under the Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder.

SECTION 57. Section 41-29-136, Mississippi Code of 1972, is amended as follows:



4659 41-29-136. (1) "CBD solution" means a pharmaceutical
4660 preparation consisting of processed cannabis plant extract in oil
4661 or other suitable vehicle.

4662 (2) (a) CBD solution prepared from (i) cannabis plant
4663 extract that is provided by the National Center for Natural
4664 Products Research at the University of Mississippi under
4665 appropriate federal and state regulatory approvals, or (ii)
4666 cannabis extract from hemp produced pursuant to Sections 69-25-201
4667 through 69-25-221, which is prepared and tested to meet compliance
4668 with regulatory specifications, may be dispensed by the Department
4669 of Pharmacy Services at the University of Mississippi Medical
4670 Center (UMMC Pharmacy) after mixing the extract with a suitable
4671 vehicle. The CBD solution may be prepared by the UMMC Pharmacy or
4672 by another pharmacy or laboratory in the state under appropriate
4673 federal and state regulatory approvals and registrations.

4674 (b) The patient or the patient's parent, guardian or
4675 custodian must execute a hold-harmless agreement that releases
4676 from liability the state and any division, agency, institution or
4677 employee thereof involved in the research, cultivation,
4678 processing, formulating, dispensing, prescribing or administration
4679 of CBD solution obtained from entities authorized under this
4680 section to produce or possess cannabidiol for research under
4681 appropriate federal and state regulatory approvals and
4682 registrations.



4683 (c) The National Center for Natural Products Research
4684 at the University of Mississippi and the Mississippi Agricultural
4685 and Forestry Experiment Station at Mississippi State University
4686 are the only entities authorized to produce cannabis plants for
4687 cannabidiol research.

4688 (d) Research of CBD solution under this section must
4689 comply with the provisions of Section 41-29-125 regarding lawful
4690 possession of controlled substances, of Section 41-29-137
4691 regarding record-keeping requirements relative to the dispensing,
4692 use or administration of controlled substances, and of Section
4693 41-29-133 regarding inventory requirements, insofar as they are
4694 applicable. Authorized entities may enter into public-private
4695 partnerships to facilitate research.

4696 (3) (a) In a prosecution for the unlawful possession of
4697 marijuana under the laws of this state, it is an affirmative and
4698 complete defense to prosecution that:

4699 (i) The defendant suffered from a debilitating
4700 epileptic condition or related illness and the use or possession
4701 of CBD solution was pursuant to the order of a physician as
4702 authorized under this section; or

4703 (ii) The defendant is the parent, guardian or
4704 custodian of an individual who suffered from a debilitating
4705 epileptic condition or related illness and the use or possession
4706 of CBD solution was pursuant to the order of a physician as
4707 authorized under this section.



4708 (b) An agency of this state or a political subdivision
4709 thereof, including any law enforcement agency, may not initiate
4710 proceedings to remove a child from the home based solely upon the
4711 possession or use of CBD solution by the child or parent, guardian
4712 or custodian of the child as authorized under this section.

4713 (c) An employee of the state or any division, agency,
4714 institution thereof involved in the research, cultivation,
4715 processing, formulation, dispensing, prescribing or administration
4716 of CBD solution shall not be subject to prosecution for unlawful
4717 possession, use, distribution or prescription of marijuana under
4718 the laws of this state for activities arising from or related to
4719 the use of CBD solution in the treatment of individuals diagnosed
4720 with a debilitating epileptic condition.

4721 (4) This section does not apply to any of the actions that
4722 are lawful under the Mississippi Medical Cannabis Act and in
4723 compliance with rules and regulations adopted thereunder.

4724 (* * *5) This section shall be known as "Harper Grace's
4725 Law."

4726 (* * *6) This section shall stand repealed from and after
4727 July 1, 2024.

4728 **SECTION 58.** Section 41-29-137, Mississippi Code of 1972, is
4729 amended as follows:

4730 41-29-137. (a) (1) Except when dispensed directly by a
4731 practitioner, other than a pharmacy, to an ultimate user, no
4732 controlled substance in Schedule II, as set out in Section



41-29-115, may be dispensed without the written valid prescription of a practitioner. A practitioner shall keep a record of all controlled substances in Schedule I, II and III administered, dispensed or professionally used by him otherwise than by prescription.

(2) In emergency situations, as defined by rule of the State Board of Pharmacy, Schedule II drugs may be dispensed upon the oral valid prescription of a practitioner, reduced promptly to writing and filed by the pharmacy. Prescriptions shall be retained in conformity with the requirements of Section 41-29-133. No prescription for a Schedule II substance may be refilled unless renewed by prescription issued by a licensed medical doctor.

(b) Except when dispensed directly by a practitioner, other than a pharmacy, to an ultimate user, a controlled substance included in Schedule III or IV, as set out in Sections 41-29-117 and 41-29-119, shall not be dispensed without a written or oral valid prescription of a practitioner. The prescription shall not be filled or refilled more than six (6) months after the date thereof or be refilled more than five (5) times, unless renewed by the practitioner.

(c) A controlled substance included in Schedule V, as set out in Section 41-29-121, shall not be distributed or dispensed other than for a medical purpose.

(d) An optometrist certified to prescribe and use therapeutic pharmaceutical agents under Sections 73-19-153 through



4758 73-19-165 shall be authorized to prescribe oral analgesic
4759 controlled substances in Schedule IV or V, as pertains to
4760 treatment and management of eye disease by written prescription
4761 only.

4762 (e) Administration by injection of any pharmaceutical
4763 product authorized in this section is expressly prohibited except
4764 when dispensed directly by a practitioner other than a pharmacy.

4765 (f) (1) For the purposes of this article, Title 73, Chapter
4766 21, and Title 73, Chapter 25, Mississippi Code of 1972, as it
4767 pertains to prescriptions for controlled substances, a "valid
4768 prescription" means a prescription that is issued for a legitimate
4769 medical purpose in the usual course of professional practice by:

4770 (A) A practitioner who has conducted at least one
4771 (1) in-person medical evaluation of the patient, except as
4772 otherwise authorized by Section 41-29-137.1; or

4773 (B) A covering practitioner.

4774 (2) (A) "In-person medical evaluation" means a medical
4775 evaluation that is conducted with the patient in the physical
4776 presence of the practitioner, without regard to whether portions
4777 of the evaluation are conducted by other health professionals.

4778 (B) "Covering practitioner" means a practitioner
4779 who conducts a medical evaluation other than an in-person medical
4780 evaluation at the request of a practitioner who has conducted at
4781 least one (1) in-person medical evaluation of the patient or an
4782 evaluation of the patient through the practice of telemedicine



within the previous twenty-four (24) months and who is temporarily unavailable to conduct the evaluation of the patient.

(3) A prescription for a controlled substance based solely on a consumer's completion of an online medical questionnaire is not a valid prescription.

(4) Nothing in this subsection (f) shall apply to:

(A) A prescription issued by a practitioner engaged in the practice of telemedicine as authorized under state or federal law; or

(B) The dispensing or selling of a controlled substance pursuant to practices as determined by the United States Attorney General by regulation.

(g) This section does not apply to any of the actions that are lawful under the Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder.

SECTION 59. Section 41-29-139, Mississippi Code of 1972, is amended as follows:

41-29-139. (a) **Transfer and possession with intent to transfer.** Except as authorized by this article, it is unlawful for any person knowingly or intentionally:

(1) To sell, barter, transfer, manufacture, distribute, dispense or possess with intent to sell, barter, transfer, manufacture, distribute or dispense, a controlled substance; or



4806 (2) To create, sell, barter, transfer, distribute,
4807 dispense or possess with intent to create, sell, barter, transfer,
4808 distribute or dispense, a counterfeit substance.

4809 (b) **Punishment for transfer and possession with intent to**
4810 **transfer.** Except as otherwise provided in Section 41-29-142, any
4811 person who violates subsection (a) of this section shall be, if
4812 convicted, sentenced as follows:

4813 (1) For controlled substances classified in Schedule I
4814 or II, as set out in Sections 41-29-113 and 41-29-115, other than
4815 marijuana or synthetic cannabinoids:

4816 (A) If less than two (2) grams or ten (10) dosage
4817 units, by imprisonment for not more than eight (8) years or a fine
4818 of not more than Fifty Thousand Dollars (\$50,000.00), or both.

4819 (B) If two (2) or more grams or ten (10) or more
4820 dosage units, but less than ten (10) grams or twenty (20) dosage
4821 units, by imprisonment for not less than three (3) years nor more
4822 than twenty (20) years or a fine of not more than Two Hundred
4823 Fifty Thousand Dollars (\$250,000.00), or both.

4824 (C) If ten (10) or more grams or twenty (20) or
4825 more dosage units, but less than thirty (30) grams or forty (40)
4826 dosage units, by imprisonment for not less than five (5) years nor
4827 more than thirty (30) years or a fine of not more than Five
4828 Hundred Thousand Dollars (\$500,000.00), or both.

4829 (2) (A) For marijuana:



4830 1. If thirty (30) grams or less, by
4831 imprisonment for not more than three (3) years or a fine of not
4832 more than Three Thousand Dollars (\$3,000.00), or both;
4833 2. If more than thirty (30) grams but less
4834 than two hundred fifty (250) grams, by imprisonment for not more
4835 than five (5) years or a fine of not more than Five Thousand
4836 Dollars (\$5,000.00), or both;
4837 3. If two hundred fifty (250) or more grams
4838 but less than five hundred (500) grams, by imprisonment for not
4839 less than three (3) years nor more than ten (10) years or a fine
4840 of not more than Fifteen Thousand Dollars (\$15,000.00), or both;
4841 4. If five hundred (500) or more grams but
4842 less than one (1) kilogram, by imprisonment for not less than five
4843 (5) years nor more than twenty (20) years or a fine of not more
4844 than Twenty Thousand Dollars (\$20,000.00), or both.
4845 (B) For synthetic cannabinoids:
4846 1. If ten (10) grams or less, by imprisonment
4847 for not more than three (3) years or a fine of not more than Three
4848 Thousand Dollars (\$3,000.00), or both;
4849 2. If more than ten (10) grams but less than
4850 twenty (20) grams, by imprisonment for not more than five (5)
4851 years or a fine of not more than Five Thousand Dollars
4852 (\$5,000.00), or both;
4853 3. If twenty (20) or more grams but less than
4854 forty (40) grams, by imprisonment for not less than three (3)



4855 years nor more than ten (10) years or a fine of not more than
4856 Fifteen Thousand Dollars (\$15,000.00), or both;

4857 4. If forty (40) or more grams but less than
4858 two hundred (200) grams, by imprisonment for not less than five
4859 (5) years nor more than twenty (20) years or a fine of not more
4860 than Twenty Thousand Dollars (\$20,000.00), or both.

4861 (3) For controlled substances classified in Schedules
4862 III and IV, as set out in Sections 41-29-117 and 41-29-119:

4863 (A) If less than two (2) grams or ten (10) dosage
4864 units, by imprisonment for not more than five (5) years or a fine
4865 of not more than Five Thousand Dollars (\$5,000.00), or both;

4866 (B) If two (2) or more grams or ten (10) or more
4867 dosage units, but less than ten (10) grams or twenty (20) dosage
4868 units, by imprisonment for not more than eight (8) years or a fine
4869 of not more than Fifty Thousand Dollars (\$50,000.00), or both;

4870 (C) If ten (10) or more grams or twenty (20) or
4871 more dosage units, but less than thirty (30) grams or forty (40)
4872 dosage units, by imprisonment for not more than fifteen (15) years
4873 or a fine of not more than One Hundred Thousand Dollars
4874 (\$100,000.00), or both;

4875 (D) If thirty (30) or more grams or forty (40) or
4876 more dosage units, but less than five hundred (500) grams or two
4877 thousand five hundred (2,500) dosage units, by imprisonment for
4878 not more than twenty (20) years or a fine of not more than Two
4879 Hundred Fifty Thousand Dollars (\$250,000.00), or both.



4880 (4) For controlled substances classified in Schedule V,
4881 as set out in Section 41-29-121:

4882 (A) If less than two (2) grams or ten (10) dosage
4883 units, by imprisonment for not more than one (1) year or a fine of
4884 not more than Five Thousand Dollars (\$5,000.00), or both;

4885 (B) If two (2) or more grams or ten (10) or more
4886 dosage units, but less than ten (10) grams or twenty (20) dosage
4887 units, by imprisonment for not more than five (5) years or a fine
4888 of not more than Ten Thousand Dollars (\$10,000.00), or both;

4889 (C) If ten (10) or more grams or twenty (20) or
4890 more dosage units, but less than thirty (30) grams or forty (40)
4891 dosage units, by imprisonment for not more than ten (10) years or
4892 a fine of not more than Twenty Thousand Dollars (\$20,000.00), or
4893 both;

4894 (D) For thirty (30) or more grams or forty (40) or
4895 more dosage units, but less than five hundred (500) grams or two
4896 thousand five hundred (2,500) dosage units, by imprisonment for
4897 not more than fifteen (15) years or a fine of not more than Fifty
4898 Thousand Dollars (\$50,000.00), or both.

4899 (c) **Simple possession.** Except as otherwise provided under
4900 subsection (i) of this section for actions that are lawful under
4901 the Mississippi Medical Cannabis Act and in compliance with rules
4902 and regulations adopted thereunder, it is unlawful for any person
4903 knowingly or intentionally to possess any controlled substance
4904 unless the substance was obtained directly from, or pursuant to, a



4905 valid prescription or order of a practitioner while acting in the
4906 course of his professional practice, or except as otherwise
4907 authorized by this article. The penalties for any violation of
4908 this subsection (c) with respect to a controlled substance
4909 classified in Schedules I, II, III, IV or V, as set out in Section
4910 41-29-113, 41-29-115, 41-29-117, 41-29-119 or 41-29-121, including
4911 marijuana or synthetic cannabinoids, shall be based on dosage unit
4912 as defined herein or the weight of the controlled substance as set
4913 forth herein as appropriate:

4914 "Dosage unit (d.u.)" means a tablet or capsule, or in the
4915 case of a liquid solution, one (1) milliliter. In the case of
4916 lysergic acid diethylamide (LSD) the term, "dosage unit" means a
4917 stamp, square, dot, microdot, tablet or capsule of a controlled
4918 substance.

4919 For any controlled substance that does not fall within the
4920 definition of the term "dosage unit," the penalties shall be based
4921 upon the weight of the controlled substance.

4922 The weight set forth refers to the entire weight of any
4923 mixture or substance containing a detectable amount of the
4924 controlled substance.

4925 If a mixture or substance contains more than one (1)
4926 controlled substance, the weight of the mixture or substance is
4927 assigned to the controlled substance that results in the greater
4928 punishment.



4929 A person shall be charged and sentenced as follows for a
4930 violation of this subsection with respect to:

4931 (1) A controlled substance classified in Schedule I or
4932 II, except marijuana and synthetic cannabinoids:

4933 (A) If less than one-tenth (0.1) gram or two (2)
4934 dosage units, the violation is a misdemeanor and punishable by
4935 imprisonment for not more than one (1) year or a fine of not more
4936 than One Thousand Dollars (\$1,000.00), or both.

4937 (B) If one-tenth (0.1) gram or more or two (2) or
4938 more dosage units, but less than two (2) grams or ten (10) dosage
4939 units, by imprisonment for not more than three (3) years or a fine
4940 of not more than Fifty Thousand Dollars (\$50,000.00), or both.

4941 (C) If two (2) or more grams or ten (10) or more
4942 dosage units, but less than ten (10) grams or twenty (20) dosage
4943 units, by imprisonment for not more than eight (8) years or a fine
4944 of not more than Two Hundred Fifty Thousand Dollars (\$250,000.00),
4945 or both.

4946 (D) If ten (10) or more grams or twenty (20) or
4947 more dosage units, but less than thirty (30) grams or forty (40)
4948 dosage units, by imprisonment for not less than three (3) years
4949 nor more than twenty (20) years or a fine of not more than Five
4950 Hundred Thousand Dollars (\$500,000.00), or both.

4951 (2) (A) Marijuana and synthetic cannabinoids:

4952 1. If thirty (30) grams or less of marijuana
4953 or ten (10) grams or less of synthetic cannabinoids, by a fine of



4954 not less than One Hundred Dollars (\$100.00) nor more than Two
4955 Hundred Fifty Dollars (\$250.00). The provisions of this paragraph
4956 (2) (A) may be enforceable by summons if the offender provides
4957 proof of identity satisfactory to the arresting officer and gives
4958 written promise to appear in court satisfactory to the arresting
4959 officer, as directed by the summons. A second conviction under
4960 this section within two (2) years is a misdemeanor punishable by a
4961 fine of Two Hundred Fifty Dollars (\$250.00), not more than sixty
4962 (60) days in the county jail, and mandatory participation in a
4963 drug education program approved by the Division of Alcohol and
4964 Drug Abuse of the State Department of Mental Health, unless the
4965 court enters a written finding that a drug education program is
4966 inappropriate. A third or subsequent conviction under this
4967 paragraph (2) (A) within two (2) years is a misdemeanor punishable
4968 by a fine of not less than Two Hundred Fifty Dollars (\$250.00) nor
4969 more than One Thousand Dollars (\$1,000.00) and confinement for not
4970 more than six (6) months in the county jail.

4971 Upon a first or second conviction under this paragraph
4972 (2) (A), the courts shall forward a report of the conviction to the
4973 Mississippi Bureau of Narcotics which shall make and maintain a
4974 private, nonpublic record for a period not to exceed two (2) years
4975 from the date of conviction. The private, nonpublic record shall
4976 be solely for the use of the courts in determining the penalties
4977 which attach upon conviction under this paragraph (2) (A) and shall
4978 not constitute a criminal record for the purpose of private or



4979 administrative inquiry and the record of each conviction shall be
4980 expunged at the end of the period of two (2) years following the
4981 date of such conviction;

4982 2. Additionally, a person who is the operator
4983 of a motor vehicle, who possesses on his person or knowingly keeps
4984 or allows to be kept in a motor vehicle within the area of the
4985 vehicle normally occupied by the driver or passengers, more than
4986 one (1) gram, but not more than thirty (30) grams of marijuana or
4987 not more than ten (10) grams of synthetic cannabinoids is guilty
4988 of a misdemeanor and, upon conviction, may be fined not more than
4989 One Thousand Dollars (\$1,000.00) or confined for not more than
4990 ninety (90) days in the county jail, or both. For the purposes of
4991 this subsection, such area of the vehicle shall not include the
4992 trunk of the motor vehicle or the areas not normally occupied by
4993 the driver or passengers if the vehicle is not equipped with a
4994 trunk. A utility or glove compartment shall be deemed to be
4995 within the area occupied by the driver and passengers * * *.

4996 (B) Marijuana:

4997 1. If more than thirty (30) grams but less
4998 than two hundred fifty (250) grams, by a fine of not more than One
4999 Thousand Dollars (\$1,000.00), or confinement in the county jail
5000 for not more than one (1) year, or both; or by a fine of not more
5001 than Three Thousand Dollars (\$3,000.00), or imprisonment in the
5002 custody of the Department of Corrections for not more than three
5003 (3) years, or both;



5004 2. If two hundred fifty (250) or more grams
5005 but less than five hundred (500) grams, by imprisonment for not
5006 less than two (2) years nor more than eight (8) years or by a fine
5007 of not more than Fifty Thousand Dollars (\$50,000.00), or both;

5008 3. If five hundred (500) or more grams but
5009 less than one (1) kilogram, by imprisonment for not less than four
5010 (4) years nor more than sixteen (16) years or a fine of not more
5011 than Two Hundred Fifty Thousand Dollars (\$250,000.00), or both;

5012 4. If one (1) kilogram or more but less than
5013 five (5) kilograms, by imprisonment for not less than six (6)
5014 years nor more than twenty-four (24) years or a fine of not more
5015 than Five Hundred Thousand Dollars (\$500,000.00), or both;

5016 5. If five (5) kilograms or more, by
5017 imprisonment for not less than ten (10) years nor more than thirty
5018 (30) years or a fine of not more than One Million Dollars
5019 (\$1,000,000.00), or both.

5020 (C) Synthetic cannabinoids:

5021 1. If more than ten (10) grams but less than
5022 twenty (20) grams, by a fine of not more than One Thousand Dollars
5023 (\$1,000.00), or confinement in the county jail for not more than
5024 one (1) year, or both; or by a fine of not more than Three
5025 Thousand Dollars (\$3,000.00), or imprisonment in the custody of
5026 the Department of Corrections for not more than three (3) years,
5027 or both;



5028 2. If twenty (20) or more grams but less than
5029 forty (40) grams, by imprisonment for not less than two (2) years
5030 nor more than eight (8) years or by a fine of not more than Fifty
5031 Thousand Dollars (\$50,000.00), or both;

5032 3. If forty (40) or more grams but less than
5033 two hundred (200) grams, by imprisonment for not less than four
5034 (4) years nor more than sixteen (16) years or a fine of not more
5035 than Two Hundred Fifty Thousand Dollars (\$250,000.00), or both;

5036 4. If two hundred (200) or more grams, by
5037 imprisonment for not less than six (6) years nor more than
5038 twenty-four (24) years or a fine of not more than Five Hundred
5039 Thousand Dollars (\$500,000.00), or both.

5040 (3) A controlled substance classified in Schedule III,
5041 IV or V as set out in Sections 41-29-117 through 41-29-121, upon
5042 conviction, may be punished as follows:

5043 (A) If less than fifty (50) grams or less than one
5044 hundred (100) dosage units, the offense is a misdemeanor and
5045 punishable by not more than one (1) year or a fine of not more
5046 than One Thousand Dollars (\$1,000.00), or both.

5047 (B) If fifty (50) or more grams or one hundred
5048 (100) or more dosage units, but less than one hundred fifty (150)
5049 grams or five hundred (500) dosage units, by imprisonment for not
5050 less than one (1) year nor more than four (4) years or a fine of
5051 not more than Ten Thousand Dollars (\$10,000.00), or both.



5052 (C) If one hundred fifty (150) or more grams or
5053 five hundred (500) or more dosage units, but less than three
5054 hundred (300) grams or one thousand (1,000) dosage units, by
5055 imprisonment for not less than two (2) years nor more than eight
5056 (8) years or a fine of not more than Fifty Thousand Dollars
5057 (\$50,000.00), or both.

5058 (D) If three hundred (300) or more grams or one
5059 thousand (1,000) or more dosage units, but less than five hundred
5060 (500) grams or two thousand five hundred (2,500) dosage units, by
5061 imprisonment for not less than four (4) years nor more than
5062 sixteen (16) years or a fine of not more than Two Hundred Fifty
5063 Thousand Dollars (\$250,000.00), or both.

5064 (d) **Paraphernalia.** (1) Except as otherwise provided under
5065 subsection (i) of this section for actions that are lawful under
5066 the Mississippi Medical Cannabis Act and in compliance with rules
5067 and regulations adopted thereunder, it is unlawful for a person
5068 who is not authorized by the State Board of Medical Licensure,
5069 State Board of Pharmacy, or other lawful authority to use, or to
5070 possess with intent to use, paraphernalia to plant, propagate,
5071 cultivate, grow, harvest, manufacture, compound, convert, produce,
5072 process, prepare, test, analyze, pack, repack, store, contain,
5073 conceal, inject, ingest, inhale or otherwise introduce into the
5074 human body a controlled substance in violation of the Uniform
5075 Controlled Substances Law. Any person who violates this
5076 subsection (d) (1) is guilty of a misdemeanor and, upon conviction,



5077 may be confined in the county jail for not more than six (6)
5078 months, or fined not more than Five Hundred Dollars (\$500.00), or
5079 both; however, no person shall be charged with a violation of this
5080 subsection when such person is also charged with the possession of
5081 thirty (30) grams or less of marijuana under subsection (c) (2) (A)
5082 of this section.

5083 (2) It is unlawful for any person to deliver, sell,
5084 possess with intent to deliver or sell, or manufacture with intent
5085 to deliver or sell, paraphernalia, knowing, or under circumstances
5086 where one reasonably should know, that it will be used to plant,
5087 propagate, cultivate, grow, harvest, manufacture, compound,
5088 convert, produce, process, prepare, test, analyze, pack, repack,
5089 store, contain, conceal, inject, ingest, inhale, or otherwise
5090 introduce into the human body a controlled substance in violation
5091 of the Uniform Controlled Substances Law. Except as provided in
5092 subsection (d) (3), a person who violates this subsection (d) (2) is
5093 guilty of a misdemeanor and, upon conviction, may be confined in
5094 the county jail for not more than six (6) months, or fined not
5095 more than Five Hundred Dollars (\$500.00), or both.

5096 (3) Any person eighteen (18) years of age or over who
5097 violates subsection (d) (2) of this section by delivering or
5098 selling paraphernalia to a person under eighteen (18) years of age
5099 who is at least three (3) years his junior is guilty of a
5100 misdemeanor and, upon conviction, may be confined in the county



5101 jail for not more than one (1) year, or fined not more than One
5102 Thousand Dollars (\$1,000.00), or both.

5103 (4) It is unlawful for any person to place in any
5104 newspaper, magazine, handbill, or other publication any
5105 advertisement, knowing, or under circumstances where one
5106 reasonably should know, that the purpose of the advertisement, in
5107 whole or in part, is to promote the sale of objects designed or
5108 intended for use as paraphernalia. Any person who violates this
5109 subsection is guilty of a misdemeanor and, upon conviction, may be
5110 confined in the county jail for not more than six (6) months, or
5111 fined not more than Five Hundred Dollars (\$500.00), or both.

5112 (e) It shall be unlawful for any physician practicing
5113 medicine in this state to prescribe, dispense or administer any
5114 amphetamine or amphetamine-like anorectics and/or central nervous
5115 system stimulants classified in Schedule II, pursuant to Section
5116 41-29-115, for the exclusive treatment of obesity, weight control
5117 or weight loss. Any person who violates this subsection, upon
5118 conviction, is guilty of a misdemeanor and may be confined for a
5119 period not to exceed six (6) months, or fined not more than One
5120 Thousand Dollars (\$1,000.00), or both.

5121 (f) **Trafficking.** (1) Any person trafficking in controlled
5122 substances shall be guilty of a felony and, upon conviction, shall
5123 be imprisoned for a term of not less than ten (10) years nor more
5124 than forty (40) years and shall be fined not less than Five
5125 Thousand Dollars (\$5,000.00) nor more than One Million Dollars



5126 (\$1,000,000.00). The ten-year mandatory sentence shall not be
5127 reduced or suspended. The person shall not be eligible for
5128 probation or parole, the provisions of Sections 41-29-149,
5129 47-5-139, 47-7-3 and 47-7-33, to the contrary notwithstanding.

5130 (2) "Trafficking in controlled substances" as used
5131 herein means:

5132 (A) A violation of subsection (a) of this section
5133 involving thirty (30) or more grams or forty (40) or more dosage
5134 units of a Schedule I or II controlled substance except marijuana
5135 and synthetic cannabinoids;

5136 (B) A violation of subsection (a) of this section
5137 involving five hundred (500) or more grams or two thousand five
5138 hundred (2,500) or more dosage units of a Schedule III, IV or V
5139 controlled substance;

5140 (C) A violation of subsection (c) of this section
5141 involving thirty (30) or more grams or forty (40) or more dosage
5142 units of a Schedule I or II controlled substance except marijuana
5143 and synthetic cannabinoids;

5144 (D) A violation of subsection (c) of this section
5145 involving five hundred (500) or more grams or two thousand five
5146 hundred (2,500) or more dosage units of a Schedule III, IV or V
5147 controlled substance; or

5148 (E) A violation of subsection (a) of this section
5149 involving one (1) kilogram or more of marijuana or two hundred
5150 (200) grams or more of synthetic cannabinoids.



5151 (g) **Aggravated trafficking.** Any person trafficking in
5152 Schedule I or II controlled substances, except marijuana and
5153 synthetic cannabinoids, of two hundred (200) grams or more shall
5154 be guilty of aggravated trafficking and, upon conviction, shall be
5155 sentenced to a term of not less than twenty-five (25) years nor
5156 more than life in prison and shall be fined not less than Five
5157 Thousand Dollars (\$5,000.00) nor more than One Million Dollars
5158 (\$1,000,000.00). The twenty-five-year sentence shall be a
5159 mandatory sentence and shall not be reduced or suspended. The
5160 person shall not be eligible for probation or parole, the
5161 provisions of Sections 41-29-149, 47-5-139, 47-7-3 and 47-7-33, to
5162 the contrary notwithstanding.

5163 (h) **Sentence mitigation.** (1) Notwithstanding any provision
5164 of this section, a person who has been convicted of an offense
5165 under this section that requires the judge to impose a prison
5166 sentence which cannot be suspended or reduced and is ineligible
5167 for probation or parole may, at the discretion of the court,
5168 receive a sentence of imprisonment that is no less than
5169 twenty-five percent (25%) of the sentence prescribed by the
5170 applicable statute. In considering whether to apply the departure
5171 from the sentence prescribed, the court shall conclude that:

5172 (A) The offender was not a leader of the criminal
5173 enterprise;

5174 (B) The offender did not use violence or a weapon
5175 during the crime;



(C) The offense did not result in a death or serious bodily injury of a person not a party to the criminal enterprise; and

(D) The interests of justice are not served by the imposition of the prescribed mandatory sentence.

The court may also consider whether information and assistance were furnished to a law enforcement agency, or its designee, which, in the opinion of the trial judge, objectively should or would have aided in the arrest or prosecution of others who violate this subsection. The accused shall have adequate opportunity to develop and make a record of all information and assistance so furnished.

(2) If the court reduces the prescribed sentence pursuant to this subsection, it must specify on the record the circumstances warranting the departure.

(i) This section does not apply to any of the actions that are lawful under the Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder.

SECTION 60. Section 41-29-141, Mississippi Code of 1972, is amended as follows:

41-29-141. It is unlawful for any person:

(1) Who is subject to Section 41-29-125 to distribute or dispense a controlled substance in violation of Section 41-29-137;



5200 (2) Who is a registrant under Section 41-29-125 to
5201 manufacture a controlled substance not authorized by his
5202 registration, or to distribute or dispense a controlled substance
5203 not authorized by his registration to another registrant or other
5204 authorized person;

5205 (3) To refuse or fail to make, keep or furnish any
5206 record, notification, order form, statement, invoice or
5207 information required under this article;

5208 (4) To refuse a lawful entry into any premises for any
5209 inspection authorized by this article; or

5210 (5) Knowingly to keep or maintain any store, shop,
5211 warehouse, dwelling, building, vehicle, boat, aircraft, or other
5212 structure or place, which is resorted to by persons using
5213 controlled substances in violation of this article for the purpose
5214 of using these substances, or which is used for keeping or selling
5215 them in violation of this article.

5216 Any person who violates this section shall, with respect to
5217 such violation, be subject to a civil penalty payable to the State
5218 of Mississippi of not more than Twenty-five Thousand Dollars
5219 (\$25,000.00).

5220 In addition to the civil penalty provided in the preceding
5221 paragraph, any person who knowingly or intentionally violates this
5222 section shall be guilty of a crime and upon conviction thereof may
5223 be confined for a period of not more than one (1) year or fined
5224 not more than One Thousand Dollars (\$1,000.00), or both.



This section does not apply to any of the actions that are lawful under the Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder.

SECTION 61. Section 41-29-143, Mississippi Code of 1972, is amended as follows:

41-29-143. It is unlawful for any person knowingly or intentionally:

(1) To distribute as a registrant a controlled substance classified in Schedule I or II, as set out in Sections 41-29-113 and 41-29-115, except pursuant to an order form as required by Section 41-29-135;

(2) To use in the course of the manufacture or distribution of a controlled substance a registration number which is fictitious, revoked, suspended, or issued to another person * * *;

(3) To furnish false or fraudulent material information in, or omit any material information from, any application, report, or other document required to be kept or filed under this article, or any record required to be kept by this article; or

(4) To make, distribute, or possess any punch, die, plate, stone, or other thing designed to print, imprint, or reproduce the trademark, trade name, or other identifying mark, imprint or device of another or any likeness of any of the foregoing upon any drug or container or labeling thereof so as to render the drug a counterfeit substance.



Any person who violates this section is guilty of a crime and upon conviction may be confined for not more than one (1) year or fined not more than One Thousand Dollars (\$1,000.00) or both.

This section does not apply to any of the actions that are lawful under the Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder.

SECTION 62. Section 43-21-301, Mississippi Code of 1972, is amended as follows:

43-21-301. (1) No court other than the youth court shall issue an arrest warrant or custody order for a child in a matter in which the youth court has exclusive original jurisdiction but shall refer the matter to the youth court.

(2) Except as otherwise provided, no child in a matter in which the youth court has exclusive original jurisdiction shall be taken into custody by a law enforcement officer, the Department of Human Services, the Department of Child Protection Services, or any other person unless the judge or his designee has issued a custody order to take the child into custody.

(3) The judge or his designee may require a law enforcement officer, the Department of Human Services, the Department of Child Protection Services, or any suitable person to take a child into custody for a period not longer than forty-eight (48) hours, excluding Saturdays, Sundays, and statutory state holidays.

(a) Custody orders under this subsection may be issued if it appears that there is probable cause to believe that:



(i) The child is within the jurisdiction of the court;

(ii) Custody is necessary because of any of the following reasons: the child is in danger of a significant risk of harm, any person would be in danger of a significant risk of harm by the child, to ensure the child's attendance in court at such time as required, or a parent, guardian or custodian is not available to provide for the care and supervision of the child; and

(iii) There is no reasonable alternative to custody.

A finding of probable cause under this subsection (3)(a) shall not be based solely upon a positive drug test of a newborn or parent for marijuana or solely upon the status of a parent as a cardholder under the Mississippi Medical Cannabis Act; however, a finding of probable cause may be based upon an evidence-based finding of harm to the child or a parent's inability to provide for the care and supervision of the child due to the parent's use of marijuana. Probable cause for unlawful use of any controlled substance, except as otherwise provided in this subsection (3)(a) for marijuana, may be based: 1. upon a parent's positive drug test for unlawful use of a controlled substance only if the child is in danger of a significant risk of harm or the parent is unable to provide proper care or supervision of the child because of the unlawful use and there is no reasonable alternative to custody;



5300 and 2. upon a newborn's positive drug screen for a controlled
5301 substance that was used unlawfully only if the child is in danger
5302 of a significant risk of harm or the parent is unable to provide
5303 proper care or supervision of the child because of the unlawful
5304 use and there is no reasonable alternative to custody.

5305 (b) Custody orders under this subsection shall be
5306 written. In emergency cases, a judge or his designee may issue an
5307 oral custody order, but the order shall be reduced to writing
5308 within forty-eight (48) hours of its issuance.

5309 (c) Each youth court judge shall develop and make
5310 available to law enforcement a list of designees who are available
5311 after hours, on weekends and on holidays.

5312 (4) The judge or his designee may order, orally or in
5313 writing, the immediate release of any child in the custody of any
5314 person or agency. Except as otherwise provided in subsection (3)
5315 of this section, custody orders as provided by this chapter and
5316 authorizations of temporary custody may be written or oral, but,
5317 if oral, reduced to writing within forty-eight (48) hours,
5318 excluding Saturdays, Sundays and statutory state holidays. The
5319 written order shall:

5320 (a) Specify the name and address of the child, or, if
5321 unknown, designate him or her by any name or description by which
5322 he or she can be identified with reasonable certainty;



5323 (b) Specify the age of the child, or, if unknown, that
5324 he or she is believed to be of an age subject to the jurisdiction
5325 of the youth court;

5326 (c) Except in cases where the child is alleged to be a
5327 delinquent child or a child in need of supervision, state that the
5328 effect of the continuation of the child's residing within his or
5329 her own home would be contrary to the welfare of the child, that
5330 the placement of the child in foster care is in the best interests
5331 of the child, and unless the reasonable efforts requirement is
5332 bypassed under Section 43-21-603(7)(c), also state that (i)
5333 reasonable efforts have been made to maintain the child within his
5334 or her own home, but that the circumstances warrant his removal
5335 and there is no reasonable alternative to custody; or (ii) the
5336 circumstances are of such an emergency nature that no reasonable
5337 efforts have been made to maintain the child within his own home,
5338 and that there is no reasonable alternative to custody. If the
5339 court makes a finding in accordance with (ii) of this paragraph,
5340 the court shall order that reasonable efforts be made toward the
5341 reunification of the child with his or her family;

5342 (d) State that the child shall be brought immediately
5343 before the youth court or be taken to a place designated by the
5344 order to be held pending review of the order;

5345 (e) State the date issued and the youth court by which
5346 the order is issued; and



5347 (f) Be signed by the judge or his designee with the
5348 title of his office.

5349 (5) The taking of a child into custody shall not be
5350 considered an arrest except for evidentiary purposes.

5351 (6) (a) No child who has been accused or adjudicated of any
5352 offense that would not be a crime if committed by an adult shall
5353 be placed in an adult jail or lockup. An accused status offender
5354 shall not be held in secure detention longer than twenty-four (24)
5355 hours prior to and twenty-four (24) hours after an initial court
5356 appearance, excluding Saturdays, Sundays and statutory state
5357 holidays, except under the following circumstances: a status
5358 offender may be held in secure detention for violating a valid
5359 court order pursuant to the criteria as established by the federal
5360 Juvenile Justice and Delinquency Prevention Act of 2002, and any
5361 subsequent amendments thereto, and out-of-state runaways may be
5362 detained pending return to their home state.

5363 (b) No accused or adjudicated juvenile offender, except
5364 for an accused or adjudicated juvenile offender in cases where
5365 jurisdiction is waived to the adult criminal court, shall be
5366 detained or placed into custody of any adult jail or lockup for a
5367 period in excess of six (6) hours.

5368 (c) If any county violates the provisions of paragraph
5369 (a) or (b) of this subsection, the state agency authorized to
5370 allocate federal funds received pursuant to the Juvenile Justice
5371 and Delinquency Prevention Act of 1974, 88 Stat. 2750 (codified in



5372 scattered Sections of 5, 18, 42 USCS), shall withhold the county's
5373 share of such funds.

5374 (d) Any county that does not have a facility in which
5375 to detain its juvenile offenders in compliance with the provisions
5376 of paragraphs (a) and (b) of this subsection may enter into a
5377 contractual agreement to detain or place into custody the juvenile
5378 offenders of that county with any county or municipality that does
5379 have such a facility, or with the State of Mississippi, or with
5380 any private entity that maintains a juvenile correctional
5381 facility.

5382 (e) Notwithstanding the provisions of paragraphs (a),
5383 (b), (c) and (d) of this subsection, all counties shall be allowed
5384 a one-year grace period from March 27, 1993, to comply with the
5385 provisions of this subsection.

5386 **SECTION 63.** Section 43-21-303, Mississippi Code of 1972, is
5387 amended as follows:

5388 43-21-303. (1) No child in a matter in which the youth
5389 court has original exclusive jurisdiction shall be taken into
5390 custody by any person without a custody order except that:

5391 (a) A law enforcement officer may take a child in
5392 custody if:

5393 (i) Grounds exist for the arrest of an adult in
5394 identical circumstances; and



5395 (ii) Such law enforcement officer has probable
5396 cause to believe that custody is necessary as defined in Section
5397 43-21-301; and

5398 (iii) Such law enforcement officer can find no
5399 reasonable alternative to custody; or

5400 (b) A law enforcement officer or an agent of the
5401 Department of Child Protection Services or the Department of Human
5402 Services may take a child into immediate custody if:

5403 (i) There is probable cause to believe that the
5404 child is in immediate danger of personal harm; however, probable
5405 cause shall not be based solely upon a positive drug test of a
5406 newborn or parent for marijuana or solely upon the status of a
5407 parent as a cardholder under the Mississippi Medical Cannabis Act,
5408 but a finding of probable cause may be based upon an
5409 evidence-based finding of harm to the child or a parent's
5410 inability to provide for the care and supervision of the child due
5411 to the parent's use of marijuana. Probable cause for unlawful use
5412 of any controlled substance, except as otherwise provided in this
5413 subparagraph (i) for marijuana, may be based: 1. upon a parent's
5414 positive drug test for unlawful use of a controlled substance only
5415 if the child is in danger of a significant risk of harm or the
5416 parent is unable to provide proper care or supervision of the
5417 child because of the unlawful use and there is no reasonable
5418 alternative to custody; and 2. upon a newborn's positive drug
5419 screen for a controlled substance that was used unlawfully only if



5420 the child is in danger of a significant risk of harm or the parent
5421 is unable to provide proper care or supervision of the child
5422 because of the unlawful use and there is no reasonable alternative
5423 to custody; and

5424 (ii) There is probable cause to believe that
5425 immediate custody is necessary as set forth in Section
5426 43-21-301(3); and

5427 (iii) There is no reasonable alternative to
5428 custody; and

5429 (c) Any other person may take a child into custody if
5430 grounds exist for the arrest of an adult in identical
5431 circumstances. Such other person shall immediately surrender
5432 custody of the child to the proper law enforcement officer who
5433 shall thereupon continue custody only as provided in subsection
5434 (1)(a) of this section.

5435 (2) When it is necessary to take a child into custody, the
5436 least restrictive custody should be selected.

5437 (3) Unless the child is immediately released, the person
5438 taking the child into custody shall immediately notify the judge
5439 or his designee. A person taking a child into custody shall also
5440 make continuing reasonable efforts to notify the child's parent,
5441 guardian or custodian and invite the parent, guardian or custodian
5442 to be present during any questioning.

5443 (4) A child taken into custody shall not be held in custody
5444 for a period longer than reasonably necessary, but not to exceed



5445 twenty-four (24) hours, and shall be released to his parent,
5446 guardian or custodian unless the judge or his designee authorizes
5447 temporary custody.

5448 **SECTION 64.** Section 45-9-101, Mississippi Code of 1972, is
5449 amended as follows:

5450 45-9-101. (1) (a) Except as otherwise provided, the
5451 Department of Public Safety is authorized to issue licenses to
5452 carry stun guns, concealed pistols or revolvers to persons
5453 qualified as provided in this section. Such licenses shall be
5454 valid throughout the state for a period of five (5) years from the
5455 date of issuance, except as provided in subsection (25) of this
5456 section. Any person possessing a valid license issued pursuant to
5457 this section may carry a stun gun, concealed pistol or concealed
5458 revolver.

5459 (b) The licensee must carry the license, together with
5460 valid identification, at all times in which the licensee is
5461 carrying a stun gun, concealed pistol or revolver and must display
5462 both the license and proper identification upon demand by a law
5463 enforcement officer. A violation of the provisions of this
5464 paragraph (b) shall constitute a noncriminal violation with a
5465 penalty of Twenty-five Dollars (\$25.00) and shall be enforceable
5466 by summons.

5467 (2) The Department of Public Safety shall issue a license if
5468 the applicant:



5469 (a) Is a resident of the state. However, this
5470 residency requirement may be waived if the applicant possesses a
5471 valid permit from another state, is a member of any active or
5472 reserve component branch of the United States of America Armed
5473 Forces stationed in Mississippi, is the spouse of a member of any
5474 active or reserve component branch of the United States of America
5475 Armed Forces stationed in Mississippi, or is a retired law
5476 enforcement officer establishing residency in the state;

5477 (b) (i) Is twenty-one (21) years of age or older; or

5478 (ii) Is at least eighteen (18) years of age but
5479 not yet twenty-one (21) years of age and the applicant:

5480 1. Is a member or veteran of the United
5481 States Armed Forces, including National Guard or Reserve; and

5482 2. Holds a valid Mississippi driver's license
5483 or identification card issued by the Department of Public Safety
5484 or a valid and current tribal identification card issued by a
5485 federally recognized Indian tribe containing a photograph of the
5486 holder;

5487 (c) Does not suffer from a physical infirmity which
5488 prevents the safe handling of a stun gun, pistol or revolver;

5489 (d) Is not ineligible to possess a firearm by virtue of
5490 having been convicted of a felony in a court of this state, of any
5491 other state, or of the United States without having been pardoned
5492 or without having been expunged for same;



5493 (e) Does not chronically or habitually abuse controlled
5494 substances to the extent that his normal faculties are impaired.
5495 It shall be presumed that an applicant chronically and habitually
5496 uses controlled substances to the extent that his faculties are
5497 impaired if the applicant has been voluntarily or involuntarily
5498 committed to a treatment facility for the abuse of a controlled
5499 substance or been found guilty of a crime under the provisions of
5500 the Uniform Controlled Substances Law or similar laws of any other
5501 state or the United States relating to controlled substances
5502 within a three-year period immediately preceding the date on which
5503 the application is submitted;

5504 (f) Does not chronically and habitually use alcoholic
5505 beverages to the extent that his normal faculties are impaired.
5506 It shall be presumed that an applicant chronically and habitually
5507 uses alcoholic beverages to the extent that his normal faculties
5508 are impaired if the applicant has been voluntarily or
5509 involuntarily committed as an alcoholic to a treatment facility or
5510 has been convicted of two (2) or more offenses related to the use
5511 of alcohol under the laws of this state or similar laws of any
5512 other state or the United States within the three-year period
5513 immediately preceding the date on which the application is
5514 submitted;

5515 (g) Desires a legal means to carry a stun gun,
5516 concealed pistol or revolver to defend himself;



5517 (h) Has not been adjudicated mentally incompetent, or
5518 has waited five (5) years from the date of his restoration to
5519 capacity by court order;

5520 (i) Has not been voluntarily or involuntarily committed
5521 to a mental institution or mental health treatment facility unless
5522 he possesses a certificate from a psychiatrist licensed in this
5523 state that he has not suffered from disability for a period of
5524 five (5) years;

5525 (j) Has not had adjudication of guilt withheld or
5526 imposition of sentence suspended on any felony unless three (3)
5527 years have elapsed since probation or any other conditions set by
5528 the court have been fulfilled;

5529 (k) Is not a fugitive from justice; and

5530 (l) Is not disqualified to possess a weapon based on
5531 federal law.

5532 (3) The Department of Public Safety may deny a license if
5533 the applicant has been found guilty of one or more crimes of
5534 violence constituting a misdemeanor unless three (3) years have
5535 elapsed since probation or any other conditions set by the court
5536 have been fulfilled or expunction has occurred prior to the date
5537 on which the application is submitted, or may revoke a license if
5538 the licensee has been found guilty of one or more crimes of
5539 violence within the preceding three (3) years. The department
5540 shall, upon notification by a law enforcement agency or a court
5541 and subsequent written verification, suspend a license or the



5542 processing of an application for a license if the licensee or
5543 applicant is arrested or formally charged with a crime which would
5544 disqualify such person from having a license under this section,
5545 until final disposition of the case. The provisions of subsection
5546 (7) of this section shall apply to any suspension or revocation of
5547 a license pursuant to the provisions of this section.

5548 (4) The application shall be completed, under oath, on a
5549 form promulgated by the Department of Public Safety and shall
5550 include only:

5551 (a) The name, address, place and date of birth, race,
5552 sex and occupation of the applicant;

5553 (b) The driver's license number or social security
5554 number of applicant;

5555 (c) Any previous address of the applicant for the two
5556 (2) years preceding the date of the application;

5557 (d) A statement that the applicant is in compliance
5558 with criteria contained within subsections (2) and (3) of this
5559 section;

5560 (e) A statement that the applicant has been furnished a
5561 copy of this section and is knowledgeable of its provisions;

5562 (f) A conspicuous warning that the application is
5563 executed under oath and that a knowingly false answer to any
5564 question, or the knowing submission of any false document by the
5565 applicant, subjects the applicant to criminal prosecution; and



5566 (g) A statement that the applicant desires a legal
5567 means to carry a stun gun, concealed pistol or revolver to defend
5568 himself.

5569 (5) The applicant shall submit only the following to the
5570 Department of Public Safety:

5571 (a) A completed application as described in subsection
5572 (4) of this section;

5573 (b) A full-face photograph of the applicant taken
5574 within the preceding thirty (30) days in which the head, including
5575 hair, in a size as determined by the Department of Public Safety,
5576 except that an applicant who is younger than twenty-one (21) years
5577 of age must submit a photograph in profile of the applicant;

5578 (c) A nonrefundable license fee of Eighty Dollars
5579 (\$80.00). Costs for processing the set of fingerprints as
5580 required in paragraph (d) of this subsection shall be borne by the
5581 applicant. Honorably retired law enforcement officers, disabled
5582 veterans and active duty members of the Armed Forces of the United
5583 States, and law enforcement officers employed with a law
5584 enforcement agency of a municipality, county or state at the time
5585 of application for the license, shall be exempt from the payment
5586 of the license fee;

5587 (d) A full set of fingerprints of the applicant
5588 administered by the Department of Public Safety; and

5589 (e) A waiver authorizing the Department of Public
5590 Safety access to any records concerning commitments of the



5591 applicant to any of the treatment facilities or institutions
5592 referred to in subsection (2) of this section and permitting
5593 access to all the applicant's criminal records.

5594 (6) (a) The Department of Public Safety, upon receipt of
5595 the items listed in subsection (5) of this section, shall forward
5596 the full set of fingerprints of the applicant to the appropriate
5597 agencies for state and federal processing.

5598 (b) The Department of Public Safety shall forward a
5599 copy of the applicant's application to the sheriff of the
5600 applicant's county of residence and, if applicable, the police
5601 chief of the applicant's municipality of residence. The sheriff
5602 of the applicant's county of residence, and, if applicable, the
5603 police chief of the applicant's municipality of residence may, at
5604 his discretion, participate in the process by submitting a
5605 voluntary report to the Department of Public Safety containing any
5606 readily discoverable prior information that he feels may be
5607 pertinent to the licensing of any applicant. The reporting shall
5608 be made within thirty (30) days after the date he receives the
5609 copy of the application. Upon receipt of a response from a
5610 sheriff or police chief, such sheriff or police chief shall be
5611 reimbursed at a rate set by the department.

5612 (c) The Department of Public Safety shall, within
5613 forty-five (45) days after the date of receipt of the items listed
5614 in subsection (5) of this section:

5615 (i) Issue the license;



5616 (ii) Deny the application based solely on the
5617 ground that the applicant fails to qualify under the criteria
5618 listed in subsections (2) and (3) of this section. If the
5619 Department of Public Safety denies the application, it shall
5620 notify the applicant in writing, stating the ground for denial,
5621 and the denial shall be subject to the appeal process set forth in
5622 subsection (7); or

5623 (iii) Notify the applicant that the department is
5624 unable to make a determination regarding the issuance or denial of
5625 a license within the forty-five-day period prescribed by this
5626 subsection, and provide an estimate of the amount of time the
5627 department will need to make the determination.

5628 (d) In the event a legible set of fingerprints, as
5629 determined by the Department of Public Safety and the Federal
5630 Bureau of Investigation, cannot be obtained after a minimum of two
5631 (2) attempts, the Department of Public Safety shall determine
5632 eligibility based upon a name check by the Mississippi Highway
5633 Safety Patrol and a Federal Bureau of Investigation name check
5634 conducted by the Mississippi Highway Safety Patrol at the request
5635 of the Department of Public Safety.

5636 (7) (a) If the Department of Public Safety denies the
5637 issuance of a license, or suspends or revokes a license, the party
5638 aggrieved may appeal such denial, suspension or revocation to the
5639 Commissioner of Public Safety, or his authorized agent, within
5640 thirty (30) days after the aggrieved party receives written notice



of such denial, suspension or revocation. The Commissioner of Public Safety, or his duly authorized agent, shall rule upon such appeal within thirty (30) days after the appeal is filed and failure to rule within this thirty-day period shall constitute sustaining such denial, suspension or revocation. Such review shall be conducted pursuant to such reasonable rules and regulations as the Commissioner of Public Safety may adopt.

(b) If the revocation, suspension or denial of issuance is sustained by the Commissioner of Public Safety, or his duly authorized agent pursuant to paragraph (a) of this subsection, the aggrieved party may file within ten (10) days after the rendition of such decision a petition in the circuit or county court of his residence for review of such decision. A hearing for review shall be held and shall proceed before the court without a jury upon the record made at the hearing before the Commissioner of Public Safety or his duly authorized agent. No such party shall be allowed to carry a stun gun, concealed pistol or revolver pursuant to the provisions of this section while any such appeal is pending.

(8) The Department of Public Safety shall maintain an automated listing of license holders and such information shall be available online, upon request, at all times, to all law enforcement agencies through the Mississippi Crime Information Center. However, the records of the department relating to applications for licenses to carry stun guns, concealed pistols or



5666 revolvers and records relating to license holders shall be exempt
5667 from the provisions of the Mississippi Public Records Act of 1983,
5668 and shall be released only upon order of a court having proper
5669 jurisdiction over a petition for release of the record or records.

5670 (9) Within thirty (30) days after the changing of a
5671 permanent address, or within thirty (30) days after having a
5672 license lost or destroyed, the licensee shall notify the
5673 Department of Public Safety in writing of such change or loss.
5674 Failure to notify the Department of Public Safety pursuant to the
5675 provisions of this subsection shall constitute a noncriminal
5676 violation with a penalty of Twenty-five Dollars (\$25.00) and shall
5677 be enforceable by a summons.

5678 (10) In the event that a stun gun, concealed pistol or
5679 revolver license is lost or destroyed, the person to whom the
5680 license was issued shall comply with the provisions of subsection
5681 (9) of this section and may obtain a duplicate, or substitute
5682 thereof, upon payment of Fifteen Dollars (\$15.00) to the
5683 Department of Public Safety, and furnishing a notarized statement
5684 to the department that such license has been lost or destroyed.

5685 (11) A license issued under this section shall be revoked if
5686 the licensee becomes ineligible under the criteria set forth in
5687 subsection (2) of this section.

5688 (12) (a) Except as provided in subsection (25) of this
5689 section, no less than ninety (90) days prior to the expiration
5690 date of the license, the Department of Public Safety shall mail to



each licensee a written notice of the expiration and a renewal form prescribed by the department. The licensee must renew his license on or before the expiration date by filing with the department the renewal form, a notarized affidavit stating that the licensee remains qualified pursuant to the criteria specified in subsections (2) and (3) of this section, and a full set of fingerprints administered by the Department of Public Safety or the sheriff of the county of residence of the licensee. The first renewal may be processed by mail and the subsequent renewal must be made in person. Thereafter every other renewal may be processed by mail to assure that the applicant must appear in person every ten (10) years for the purpose of obtaining a new photograph.

(i) Except as provided in this subsection, a renewal fee of Forty Dollars (\$40.00) shall also be submitted along with costs for processing the fingerprints;

(ii) Honorably retired law enforcement officers, disabled veterans, active duty members of the Armed Forces of the United States and law enforcement officers employed with a law enforcement agency of a municipality, county or state at the time of renewal, shall be exempt from the renewal fee; and

(iii) The renewal fee for a Mississippi resident aged sixty-five (65) years of age or older shall be Twenty Dollars (\$20.00).



5715 (b) The Department of Public Safety shall forward the
5716 full set of fingerprints of the applicant to the appropriate
5717 agencies for state and federal processing. The license shall be
5718 renewed upon receipt of the completed renewal application and
5719 appropriate payment of fees.

5720 (c) A licensee who fails to file a renewal application
5721 on or before its expiration date must renew his license by paying
5722 a late fee of Fifteen Dollars (\$15.00). No license shall be
5723 renewed six (6) months or more after its expiration date, and such
5724 license shall be deemed to be permanently expired. A person whose
5725 license has been permanently expired may reapply for licensure;
5726 however, an application for licensure and fees pursuant to
5727 subsection (5) of this section must be submitted, and a background
5728 investigation shall be conducted pursuant to the provisions of
5729 this section.

5730 (13) No license issued pursuant to this section shall
5731 authorize any person, except a law enforcement officer as defined
5732 in Section 45-6-3 with a distinct license authorized by the
5733 Department of Public Safety, to carry a stun gun, concealed pistol
5734 or revolver into any place of nuisance as defined in Section
5735 95-3-1, Mississippi Code of 1972; any police, sheriff or highway
5736 patrol station; any detention facility, prison or jail; any
5737 courthouse; any courtroom, except that nothing in this section
5738 shall preclude a judge from carrying a concealed weapon or
5739 determining who will carry a concealed weapon in his courtroom;



5740 any polling place; any meeting place of the governing body of any
5741 governmental entity; any meeting of the Legislature or a committee
5742 thereof; any school, college or professional athletic event not
5743 related to firearms; any portion of an establishment, licensed to
5744 dispense alcoholic beverages for consumption on the premises, that
5745 is primarily devoted to dispensing alcoholic beverages; any
5746 portion of an establishment in which beer, light spirit product or
5747 light wine is consumed on the premises, that is primarily devoted
5748 to such purpose; any elementary or secondary school facility; any
5749 junior college, community college, college or university facility
5750 unless for the purpose of participating in any authorized
5751 firearms-related activity; inside the passenger terminal of any
5752 airport, except that no person shall be prohibited from carrying
5753 any legal firearm into the terminal if the firearm is encased for
5754 shipment, for purposes of checking such firearm as baggage to be
5755 lawfully transported on any aircraft; any church or other place of
5756 worship, except as provided in Section 45-9-171; or any place
5757 where the carrying of firearms is prohibited by federal law. In
5758 addition to the places enumerated in this subsection, the carrying
5759 of a stun gun, concealed pistol or revolver may be disallowed in
5760 any place in the discretion of the person or entity exercising
5761 control over the physical location of such place by the placing of
5762 a written notice clearly readable at a distance of not less than
5763 ten (10) feet that the "carrying of a pistol or revolver is
5764 prohibited." No license issued pursuant to this section shall



5765 authorize the participants in a parade or demonstration for which
5766 a permit is required to carry a stun gun, concealed pistol or
5767 revolver.

5768 (14) A law enforcement officer as defined in Section 45-6-3,
5769 chiefs of police, sheriffs and persons licensed as professional
5770 bondsmen pursuant to Chapter 39, Title 83, Mississippi Code of
5771 1972, shall be exempt from the licensing requirements of this
5772 section.

5773 (a) The Commissioner of Public Safety shall promulgate
5774 rules and regulations to provide licenses to law enforcement
5775 officers as defined in Section 45-6-3 who choose to obtain a
5776 license under the provisions of this section, which shall include
5777 a distinction that the officer is an "active duty" law enforcement
5778 officer and an endorsement that such officer is authorized to
5779 carry in the locations listed in subsection (13). A law
5780 enforcement officer shall provide the following information to
5781 receive the license described in this subsection: (i) a letter,
5782 with the official letterhead of the agency or department for which
5783 the officer is employed at the time of application and (ii) a
5784 letter with the official letterhead of the agency or department,
5785 which explains that such officer has completed a certified law
5786 enforcement training academy.

5787 (b) The licensing requirements of this section do not
5788 apply to the carrying by any person of a stun gun, pistol or



5789 revolver, knife, or other deadly weapon that is not concealed as
5790 defined in Section 97-37-1.

5791 (15) Any person who knowingly submits a false answer to any
5792 question on an application for a license issued pursuant to this
5793 section, or who knowingly submits a false document when applying
5794 for a license issued pursuant to this section, shall, upon
5795 conviction, be guilty of a misdemeanor and shall be punished as
5796 provided in Section 99-19-31, Mississippi Code of 1972.

5797 (16) All fees collected by the Department of Public Safety
5798 pursuant to this section shall be deposited into a special fund
5799 hereby created in the State Treasury and shall be used for
5800 implementation and administration of this section. After the
5801 close of each fiscal year, the balance in this fund shall be
5802 certified to the Legislature and then may be used by the
5803 Department of Public Safety as directed by the Legislature.

5804 (17) All funds received by a sheriff or police chief
5805 pursuant to the provisions of this section shall be deposited into
5806 the general fund of the county or municipality, as appropriate,
5807 and shall be budgeted to the sheriff's office or police department
5808 as appropriate.

5809 (18) Nothing in this section shall be construed to require
5810 or allow the registration, documentation or providing of serial
5811 numbers with regard to any stun gun or firearm.

5812 (19) Any person holding a valid unrevoked and unexpired
5813 license to carry stun guns, concealed pistols or revolvers issued



5814 in another state shall have such license recognized by this state
5815 to carry stun guns, concealed pistols or revolvers. The
5816 Department of Public Safety is authorized to enter into a
5817 reciprocal agreement with another state if that state requires a
5818 written agreement in order to recognize licenses to carry stun
5819 guns, concealed pistols or revolvers issued by this state.

5820 (20) The provisions of this section shall be under the
5821 supervision of the Commissioner of Public Safety. The
5822 commissioner is authorized to promulgate reasonable rules and
5823 regulations to carry out the provisions of this section.

5824 (21) For the purposes of this section, the term "stun gun"
5825 means a portable device or weapon from which an electric current,
5826 impulse, wave or beam may be directed, which current, impulse,
5827 wave or beam is designed to incapacitate temporarily, injure,
5828 momentarily stun, knock out, cause mental disorientation or
5829 paralyze.

5830 (22) (a) From and after January 1, 2016, the Commissioner
5831 of Public Safety shall promulgate rules and regulations which
5832 provide that licenses authorized by this section for honorably
5833 retired law enforcement officers and honorably retired
5834 correctional officers from the Mississippi Department of
5835 Corrections shall (i) include the words "retired law enforcement
5836 officer" on the front of the license, and (ii) unless the licensee
5837 chooses to have this license combined with a driver's license or
5838 identification card under subsection (25) of this section, that



5839 the license itself have a red background to distinguish it from
5840 other licenses issued under this section.

5841 (b) An honorably retired law enforcement officer and
5842 honorably retired correctional officer shall provide the following
5843 information to receive the license described in this section: (i)
5844 a letter, with the official letterhead of the agency or department
5845 from which such officer is retiring, which explains that such
5846 officer is honorably retired, and (ii) a letter with the official
5847 letterhead of the agency or department, which explains that such
5848 officer has completed a certified law enforcement training
5849 academy.

5850 (23) A disabled veteran who seeks to qualify for an
5851 exemption under this section shall be required to provide a
5852 veterans health services identification card issued by the United
5853 States Department of Veterans Affairs indicating a
5854 service-connected disability, which shall be sufficient proof of
5855 such service-connected disability.

5856 (24) A license under this section is not required for a
5857 loaded or unloaded pistol or revolver to be carried upon the
5858 person in a sheath, belt holster or shoulder holster or in a
5859 purse, handbag, satchel, other similar bag or briefcase or fully
5860 enclosed case if the person is not engaged in criminal activity
5861 other than a misdemeanor traffic offense, is not otherwise
5862 prohibited from possessing a pistol or revolver under state or
5863 federal law, and is not in a location prohibited under subsection



5864 (13) of this section. However, the medical use of medical
5865 cannabis by a cardholder who is a registered qualifying patient
5866 which is lawful under the provisions of the Mississippi Medical
5867 Cannabis Act and in compliance with rules and regulations adopted
5868 thereunder shall not disqualify a person under this subsection
5869 (24) solely because the person is prohibited from possessing a
5870 firearm under 18 USCS Section 922(g) (3) due to such medical use of
5871 medical cannabis.

5872 (25) An applicant for a license under this section shall
5873 have the option of, instead of being issued a separate card for
5874 the license, having the license appear as a notation on the
5875 individual's driver's license or identification card. If the
5876 applicant chooses this option, the license issued under this
5877 section shall have the same expiration date as the driver's
5878 license or identification card, and renewal shall take place at
5879 the same time and place as renewal of the driver's license or
5880 identification card. The Commissioner of Public Safety shall have
5881 the authority to promulgate rules and regulations which may be
5882 necessary to ensure the effectiveness of the concurrent
5883 application and renewal processes.

5884 **SECTION 65.** Section 59-23-7, Mississippi Code of 1972, is
5885 amended as follows:

5886 59-23-7. (1) It is unlawful for any person to operate a
5887 watercraft on the public waters of this state who:

5888 (a) Is under the influence of intoxicating liquor;



5889 (b) Is under the influence of any other substance which
5890 has impaired such person's ability to operate a watercraft; or

5891 (c) Has eight one-hundredths percent (.08%) or more by
5892 weight volume of alcohol in the person's blood based upon
5893 milligrams of alcohol per one hundred (100) cubic centimeters of
5894 blood as shown by a chemical analysis of such person's breath,
5895 blood or urine administered as authorized by this chapter.

5896 (2) (a) Upon conviction of any person for the first offense
5897 of violating subsection (1) of this section where chemical tests
5898 provided for under Section 59-23-5 were given, or where chemical
5899 test results are not available, such person shall be fined not
5900 less than Two Hundred Fifty Dollars (\$250.00) nor more than One
5901 Thousand Dollars (\$1,000.00), or imprisoned for not more than
5902 twenty-four (24) hours in jail, or both; and the court shall order
5903 such person to attend and complete a boating safety education
5904 course developed by the Department of Wildlife, Fisheries and
5905 Parks.

5906 (b) Upon any second conviction of any person violating
5907 subsection (1) of this section, the offenses being committed
5908 within a period of five (5) years, the person shall be fined not
5909 less than Six Hundred Dollars (\$600.00) nor more than One Thousand
5910 Dollars (\$1,000.00) and shall be imprisoned not less than
5911 forty-eight (48) consecutive hours nor more than one (1) year or
5912 sentenced to community service work for not less than ten (10)



5913 days nor more than one (1) year. The court shall order the person
5914 not to operate a watercraft for one (1) year.

5915 (c) For any third conviction of any person violating
5916 subsection (1) of this section, the offenses being committed
5917 within a period of five (5) years, the person shall be fined not
5918 less than Eight Hundred Dollars (\$800.00) nor more than One
5919 Thousand Dollars (\$1,000.00) and shall be imprisoned not less than
5920 thirty (30) days nor more than one (1) year. The court shall
5921 order the person not to operate a watercraft for two (2) years.

5922 (d) Any fourth or subsequent violation of subsection
5923 (1) of this section shall be a felony offense and, upon
5924 conviction, the offenses being committed within a period of five
5925 (5) years, the person shall be fined not less than Two Thousand
5926 Dollars (\$2,000.00) nor more than Five Thousand Dollars
5927 (\$5,000.00) and shall be imprisoned not less than ninety (90) days
5928 nor more than five (5) years in the custody of the Department of
5929 Corrections. The court shall order the person not to operate a
5930 watercraft for three (3) years.

5931 (3) Any person convicted of operating any watercraft in
5932 violation of subsection (1) of this section where the person (a)
5933 refused a law enforcement officer's request to submit to a
5934 chemical test, or (b) was unconscious at the time of a chemical
5935 test and refused to consent to the introduction of the results of
5936 such test in any prosecution, shall be punished consistent with
5937 the penalties prescribed herein for persons submitting to the test



and the court shall order the person not to operate a watercraft for the time periods specified in subsection (2) of this section.

(4) Any person who operates any watercraft in violation of the provisions of subsection (1) of this section and who in a negligent manner causes the death of another or mutilates, disfigures, permanently disables or destroys the tongue, eye, lip, nose or any other member or limb of another shall, upon conviction, be guilty of a felony and shall be committed to the custody of the Department of Corrections for a period of time not to exceed ten (10) years.

(5) Upon conviction of any violation of subsection (1) of this section, the judge shall cause a copy of the citation and any other pertinent documents concerning the conviction to be sent immediately to the Mississippi Department of Wildlife, Fisheries and Parks and the Department of Marine Resources. A copy of the citation or other pertinent documents, having been attested as true and correct by the Director of the Mississippi Department of Wildlife, Fisheries and Parks, or his designee, or the Director of the Department of Marine Resources, or his designee, shall be sufficient proof of the conviction for purposes of determining the enhanced penalty for any subsequent convictions of violations of subsection (1) of this section.

(6) The provisions of this section are fully applicable to any person who is under the influence of medical cannabis that is lawful under the Mississippi Medical Cannabis Act and in



5963 compliance with rules and regulations adopted thereunder which has
5964 impaired the person's ability to operate a watercraft.

5965 **SECTION 66.** Section 63-11-30, Mississippi Code of 1972, is
5966 amended as follows:

5967 63-11-30. (1) It is unlawful for a person to drive or
5968 otherwise operate a vehicle within this state if the person:

5969 (a) Is under the influence of intoxicating liquor;

5970 (b) Is under the influence of any other substance that
5971 has impaired the person's ability to operate a motor vehicle;

5972 (c) Is under the influence of any drug or controlled
5973 substance, the possession of which is unlawful under the
5974 Mississippi Controlled Substances Law; or

5975 (d) Has an alcohol concentration in the person's blood,
5976 based upon grams of alcohol per one hundred (100) milliliters of
5977 blood, or grams of alcohol per two hundred ten (210) liters of
5978 breath, as shown by a chemical analysis of the person's breath,
5979 blood or urine administered as authorized by this chapter, of:

5980 (i) Eight one-hundredths percent (.08%) or more
5981 for a person who is above the legal age to purchase alcoholic
5982 beverages under state law;

5983 (ii) Two one-hundredths percent (.02%) or more for
5984 a person who is below the legal age to purchase alcoholic
5985 beverages under state law; or

5986 (iii) Four one-hundredths percent (.04%) or more
5987 for a person operating a commercial motor vehicle.



(2) Except as otherwise provided in subsection (3) of this section (Zero Tolerance for Minors):

(a) **First offense DUI.** (i) Upon conviction of any person for the first offense of violating subsection (1) of this section where chemical tests under Section 63-11-5 were given, or where chemical test results are not available, the person shall be fined not less than Two Hundred Fifty Dollars (\$250.00) nor more than One Thousand Dollars (\$1,000.00), or imprisoned for not more than forty-eight (48) hours in jail, or both; the court shall order the person to attend and complete an alcohol safety education program as provided in Section 63-11-32 within six (6) months of sentencing. The court may substitute attendance at a victim impact panel instead of forty-eight (48) hours in jail.

(ii) Suspension of commercial driving privileges is governed by Section 63-1-216.

(iii) A qualifying first offense may be nonadjudicated by the court under subsection (14) of this section. The holder of a commercial driver's license or a commercial learning permit at the time of the offense is ineligible for nonadjudication.

(iv) Eligibility for an interlock-restricted license is governed by Section 63-11-31 and suspension of regular driving privileges is governed by Section 63-11-23.

(b) **Second offense DUI.** (i) Upon any second conviction of any person violating subsection (1) of this section,



6013 the offenses being committed within a period of five (5) years,
6014 the person shall be guilty of a misdemeanor, fined not less than
6015 Six Hundred Dollars (\$600.00) nor more than One Thousand Five
6016 Hundred Dollars (\$1,500.00), shall be imprisoned not less than
6017 five (5) days nor more than six (6) months and sentenced to
6018 community service work for not less than ten (10) days nor more
6019 than six (6) months. The minimum penalties shall not be suspended
6020 or reduced by the court and no prosecutor shall offer any
6021 suspension or sentence reduction as part of a plea bargain.

6022 (ii) Suspension of commercial driving privileges
6023 is governed by Section 63-1-216.

6024 (iii) Eligibility for an interlock-restricted
6025 license is governed by Section 63-11-31 and suspension of regular
6026 driving privileges is governed by Section 63-11-23.

6027 (c) **Third offense DUI.** (i) For a third conviction of
6028 a person for violating subsection (1) of this section, the
6029 offenses being committed within a period of five (5) years, the
6030 person shall be guilty of a felony and fined not less than Two
6031 Thousand Dollars (\$2,000.00) nor more than Five Thousand Dollars
6032 (\$5,000.00), and shall serve not less than one (1) year nor more
6033 than five (5) years in the custody of the Department of
6034 Corrections. For any offense that does not result in serious
6035 injury or death to any person, the sentence of incarceration may
6036 be served in the county jail rather than in the State Penitentiary
6037 at the discretion of the circuit court judge. The minimum



6038 penalties shall not be suspended or reduced by the court and no
6039 prosecutor shall offer any suspension or sentence reduction as
6040 part of a plea bargain.

6041 (ii) The suspension of commercial driving
6042 privileges is governed by Section 63-1-216.

6043 (iii) The suspension of regular driving privileges
6044 is governed by Section 63-11-23.

6045 (d) **Fourth and subsequent offense DUI.** (i) For any
6046 fourth or subsequent conviction of a violation of subsection (1)
6047 of this section, without regard to the time period within which
6048 the violations occurred, the person shall be guilty of a felony
6049 and fined not less than Three Thousand Dollars (\$3,000.00) nor
6050 more than Ten Thousand Dollars (\$10,000.00), and shall serve not
6051 less than two (2) years nor more than ten (10) years in the
6052 custody of the Department of Corrections.

6053 (ii) The suspension of commercial driving
6054 privileges is governed by Section 63-1-216.

6055 (iii) A person convicted of a fourth or subsequent
6056 offense is ineligible to exercise the privilege to operate a motor
6057 vehicle that is not equipped with an ignition-interlock device for
6058 ten (10) years.

6059 (e) Any person convicted of a second or subsequent
6060 violation of subsection (1) of this section shall receive an
6061 in-depth diagnostic assessment, and if as a result of the
6062 assessment is determined to be in need of treatment for alcohol or



6063 drug abuse, the person must successfully complete treatment at a
6064 program site certified by the Department of Mental Health. Each
6065 person who receives a diagnostic assessment shall pay a fee
6066 representing the cost of the assessment. Each person who
6067 participates in a treatment program shall pay a fee representing
6068 the cost of treatment.

6069 (f) The use of ignition-interlock devices is governed
6070 by Section 63-11-31.

6071 (3) **Zero Tolerance for Minors.** (a) This subsection shall
6072 be known and may be cited as Zero Tolerance for Minors. The
6073 provisions of this subsection shall apply only when a person under
6074 the age of twenty-one (21) years has a blood alcohol concentration
6075 of two one-hundredths percent (.02%) or more, but lower than eight
6076 one-hundredths percent (.08%). If the person's blood alcohol
6077 concentration is eight one-hundredths percent (.08%) or more, the
6078 provisions of subsection (2) shall apply.

6079 (b) (i) A person under the age of twenty-one (21) is
6080 eligible for nonadjudication of a qualifying first offense by the
6081 court pursuant to subsection (14) of this section.

6082 (ii) Upon conviction of any person under the age
6083 of twenty-one (21) years for the first offense of violating
6084 subsection (1) of this section where chemical tests provided for
6085 under Section 63-11-5 were given, or where chemical test results
6086 are not available, the person shall be fined Two Hundred Fifty
6087 Dollars (\$250.00); the court shall order the person to attend and



6088 complete an alcohol safety education program as provided in
6089 Section 63-11-32 within six (6) months. The court may also
6090 require attendance at a victim impact panel.

6091 (c) A person under the age of twenty-one (21) years who
6092 is convicted of a second violation of subsection (1) of this
6093 section, the offenses being committed within a period of five (5)
6094 years, shall be fined not more than Five Hundred Dollars
6095 (\$500.00).

6096 (d) A person under the age of twenty-one (21) years who
6097 is convicted of a third or subsequent violation of subsection (1)
6098 of this section, the offenses being committed within a period of
6099 five (5) years, shall be fined not more than One Thousand Dollars
6100 (\$1,000.00).

6101 (e) License suspension is governed by Section 63-11-23
6102 and ignition interlock is governed by Section 63-11-31.

6103 (f) Any person under the age of twenty-one (21) years
6104 convicted of a third or subsequent violation of subsection (1) of
6105 this section must complete treatment of an alcohol or drug abuse
6106 program at a site certified by the Department of Mental Health.

6107 (4) **DUI test refusal.** In addition to the other penalties
6108 provided in this section, every person refusing a law enforcement
6109 officer's request to submit to a chemical test of the person's
6110 breath as provided in this chapter, or who was unconscious at the
6111 time of a chemical test and refused to consent to the introduction
6112 of the results of the test in any prosecution, shall suffer an



6113 additional administrative suspension of driving privileges as set
6114 forth in Section 63-11-23.

6115 (5) **Aggravated DUI.** (a) Every person who operates any
6116 motor vehicle in violation of the provisions of subsection (1) of
6117 this section and who in a negligent manner causes the death of
6118 another or mutilates, disfigures, permanently disables or destroys
6119 the tongue, eye, lip, nose or any other limb, organ or member of
6120 another shall, upon conviction, be guilty of a separate felony for
6121 each victim who suffers death, mutilation, disfigurement or other
6122 injury and shall be committed to the custody of the State
6123 Department of Corrections for a period of time of not less than
6124 five (5) years and not to exceed twenty-five (25) years for each
6125 death, mutilation, disfigurement or other injury, and the
6126 imprisonment for the second or each subsequent conviction, in the
6127 discretion of the court, shall commence either at the termination
6128 of the imprisonment for the preceding conviction or run
6129 concurrently with the preceding conviction. Any person charged
6130 with causing the death of another as described in this subsection
6131 shall be required to post bail before being released after arrest.

6132 (b) A holder of a commercial driver's license who is
6133 convicted of operating a commercial motor vehicle with an alcohol
6134 concentration of eight one- * * * hundredths percent (.08%) or more
6135 shall be guilty of a felony and shall be committed to the custody
6136 of the Department of Corrections for not less than two (2) years
6137 and not more than ten (10) years.



6138 (c) The court shall order an ignition-interlock
6139 restriction on the offender's privilege to drive as a condition of
6140 probation or post-release supervision not to exceed five (5) years
6141 unless a longer restriction is required under other law. The
6142 ignition-interlock restriction shall not be applied to commercial
6143 license privileges until the driver serves the full
6144 disqualification period required by Section 63-1-216.

6145 (6) **DUI citations.** (a) Upon conviction of a violation of
6146 subsection (1) of this section, the trial judge shall sign in the
6147 place provided on the traffic ticket, citation or affidavit
6148 stating that the person arrested either employed an attorney or
6149 waived his right to an attorney after having been properly
6150 advised. If the person arrested employed an attorney, the name,
6151 address and telephone number of the attorney shall be written on
6152 the ticket, citation or affidavit. The court clerk must
6153 immediately send a copy of the traffic ticket, citation or
6154 affidavit, and any other pertinent documents concerning the
6155 conviction or other order of the court, to the Department of
6156 Public Safety as provided in Section 63-11-37.

6157 (b) A copy of the traffic ticket, citation or affidavit
6158 and any other pertinent documents, having been attested as true
6159 and correct by the Commissioner of Public Safety, or his designee,
6160 shall be sufficient proof of the conviction for purposes of
6161 determining the enhanced penalty for any subsequent convictions of
6162 violations of subsection (1) of this section. The Department of



6163 Public Safety shall maintain a central database for verification
6164 of prior offenses and convictions.

6165 (7) **Out-of-state prior convictions.** Convictions in another
6166 state, territory or possession of the United States, or under the
6167 law of a federally recognized Native American tribe, of violations
6168 for driving or operating a vehicle while under the influence of an
6169 intoxicating liquor or while under the influence of any other
6170 substance that has impaired the person's ability to operate a
6171 motor vehicle occurring within five (5) years before an offense
6172 shall be counted for the purposes of determining if a violation of
6173 subsection (1) of this section is a second, third, fourth or
6174 subsequent offense and the penalty that shall be imposed upon
6175 conviction for a violation of subsection (1) of this section.

6176 (8) **Charging of subsequent offenses.** (a) For the purposes
6177 of determining how to impose the sentence for a second, third,
6178 fourth or subsequent conviction under this section, the affidavit
6179 or indictment shall not be required to enumerate previous
6180 convictions. It shall only be necessary that the affidavit or
6181 indictment states the number of times that the defendant has been
6182 convicted and sentenced within the past five (5) years for a
6183 second or third offense, or without a time limitation for a fourth
6184 or subsequent offense, under this section to determine if an
6185 enhanced penalty shall be imposed. The amount of fine and
6186 imprisonment imposed in previous convictions shall not be



6187 considered in calculating offenses to determine a second, third,
6188 fourth or subsequent offense of this section.

6189 (b) Before a defendant enters a plea of guilty to an
6190 offense under this section, law enforcement must submit
6191 certification to the prosecutor that the defendant's driving
6192 record, the confidential registry and National Crime Information
6193 Center record have been searched for all prior convictions,
6194 nonadjudications, pretrial diversions and arrests for driving or
6195 operating a vehicle while under the influence of an intoxicating
6196 liquor or while under the influence of any other substance that
6197 has impaired the person's ability to operate a motor vehicle. The
6198 results of the search must be included in the certification.

6199 (9) **License eligibility for underage offenders.** A person
6200 who is under the legal age to obtain a license to operate a motor
6201 vehicle at the time of the offense and who is convicted under this
6202 section shall not be eligible to receive a driver's license until
6203 the person reaches the age of eighteen (18) years.

6204 (10) **License suspensions and restrictions to run**
6205 **consecutively.** Suspension or restriction of driving privileges
6206 for any person convicted of or nonadjudicated for violations of
6207 subsection (1) of this section shall run consecutively to and not
6208 concurrently with any other administrative license suspension.

6209 (11) **Ignition interlock.** If the court orders installation
6210 and use of an ignition-interlock device as provided in Section
6211 63-11-31 for every vehicle operated by a person convicted or



nonadjudicated under this section, each device shall be installed, maintained and removed as provided in Section 63-11-31.

(12) **DUI child endangerment.** A person over the age of twenty-one (21) who violates subsection (1) of this section while transporting in a motor vehicle a child under the age of sixteen (16) years is guilty of the separate offense of endangering a child by driving under the influence of alcohol or any other substance which has impaired the person's ability to operate a motor vehicle. The offense of endangering a child by driving under the influence of alcohol or any other substance which has impaired the person's ability to operate a motor vehicle shall not be merged with an offense of violating subsection (1) of this section for the purposes of prosecution and sentencing. An offender who is convicted of a violation of this subsection shall be punished as follows:

(a) A person who commits a violation of this subsection which does not result in the serious injury or death of a child and which is a first conviction shall be guilty of a misdemeanor and, upon conviction, shall be fined not more than One Thousand Dollars (\$1,000.00) or shall be imprisoned for not more than twelve (12) months, or both;

(b) A person who commits a violation of this subsection which does not result in the serious injury or death of a child and which is a second conviction shall be guilty of a misdemeanor and, upon conviction, shall be fined not less than One Thousand



6237 Dollars (\$1,000.00) nor more than Five Thousand Dollars
6238 (\$5,000.00) or shall be imprisoned for one (1) year, or both;

6239 (c) A person who commits a violation of this subsection
6240 which does not result in the serious injury or death of a child
6241 and which is a third or subsequent conviction shall be guilty of a
6242 felony and, upon conviction, shall be fined not less than Ten
6243 Thousand Dollars (\$10,000.00) or shall be imprisoned for not less
6244 than one (1) year nor more than five (5) years, or both; and

6245 (d) A person who commits a violation of this subsection
6246 which results in the serious injury or death of a child, without
6247 regard to whether the offense was a first, second, third or
6248 subsequent offense, shall be guilty of a felony and, upon
6249 conviction, shall be punished by a fine of not less than Ten
6250 Thousand Dollars (\$10,000.00) and shall be imprisoned for not less
6251 than five (5) years nor more than twenty-five (25) years.

6252 (13) **Expunction.** (a) Any person convicted under subsection
6253 (2) or (3) of this section of a first offense of driving under the
6254 influence and who was not the holder of a commercial driver's
6255 license or a commercial learning permit at the time of the offense
6256 may petition the circuit court of the county in which the
6257 conviction was had for an order to expunge the record of the
6258 conviction at least five (5) years after successful completion of
6259 all terms and conditions of the sentence imposed for the
6260 conviction. Expunction under this subsection will only be
6261 available to a person:



6262 (i) Who has successfully completed all terms and
6263 conditions of the sentence imposed for the conviction;
6264 (ii) Who did not refuse to submit to a test of his
6265 blood or breath;
6266 (iii) Whose blood alcohol concentration tested
6267 below sixteen one-hundredths percent (.16%) if test results are
6268 available;
6269 (iv) Who has not been convicted of and does not
6270 have pending any other offense of driving under the influence;
6271 (v) Who has provided the court with justification
6272 as to why the conviction should be expunged; and
6273 (vi) Who has not previously had a nonadjudication
6274 or expunction of a violation of this section.
6275 (b) A person is eligible for only one (1) expunction
6276 under this subsection, and the Department of Public Safety shall
6277 maintain a permanent confidential registry of all cases of
6278 expunction under this subsection for the sole purpose of
6279 determining a person's eligibility for expunction, for
6280 nonadjudication, or as a first offender under this section.
6281 (c) The court in its order of expunction shall state in
6282 writing the justification for which the expunction was granted and
6283 forward the order to the Department of Public Safety within five
6284 (5) days of the entry of the order.
6285 (14) **Nonadjudication.** (a) For the purposes of this
6286 chapter, "nonadjudication" means that the court withholds



6287 adjudication of guilt and sentencing, either at the conclusion of
6288 a trial on the merits or upon the entry of a plea of guilt by a
6289 defendant, and places the defendant in a nonadjudication program
6290 conditioned upon the successful completion of the requirements
6291 imposed by the court under this subsection.

6292 (b) A person is eligible for nonadjudication of an
6293 offense under this Section 63-11-30 only one (1) time under any
6294 provision of a law that authorizes nonadjudication and only for an
6295 offender:

6296 (i) Who has successfully completed all terms and
6297 conditions imposed by the court after placement of the defendant
6298 in a nonadjudication program;

6299 (ii) Who was not the holder of a commercial
6300 driver's license or a commercial learning permit at the time of
6301 the offense;

6302 (iii) Who has not previously been convicted of and
6303 does not have pending any former or subsequent charges under this
6304 section; and

6305 (iv) Who has provided the court with justification
6306 as to why nonadjudication is appropriate.

6307 (c) Nonadjudication may be initiated upon the filing of
6308 a petition for nonadjudication or at any stage of the proceedings
6309 in the discretion of the court; the court may withhold
6310 adjudication of guilt, defer sentencing, and upon the agreement of
6311 the offender to participate in a nonadjudication program, enter an



6312 order imposing requirements on the offender for a period of court
6313 supervision before the order of nonadjudication is entered.
6314 Failure to successfully complete a nonadjudication program
6315 subjects the person to adjudication of the charges against him and
6316 to imposition of all penalties previously withheld due to entrance
6317 into a nonadjudication program. The court shall immediately
6318 inform the commissioner of the conviction as required in Section
6319 63-11-37.

6320 (i) The court shall order the person to:

6321 1. Pay the nonadjudication fee imposed under
6322 Section 63-11-31 if applicable;

6323 2. Pay all fines, penalties and assessments
6324 that would have been imposed for conviction;

6325 3. Attend and complete an alcohol safety
6326 education program as provided in Section 63-11-32 within six (6)
6327 months of the date of the order;

6328 4. a. If the court determines that the
6329 person violated this section with respect to alcohol or
6330 intoxicating liquor, the person must install an ignition-interlock
6331 device on every motor vehicle operated by the person, obtain an
6332 interlock-restricted license, and maintain that license for one
6333 hundred twenty (120) days or suffer a one-hundred-twenty-day
6334 suspension of the person's regular driver's license, during which
6335 time the person must not operate any vehicle.



6336 b. If the court determines that the
6337 person violated this section by operating a vehicle when under the
6338 influence of a substance other than alcohol that has impaired the
6339 person's ability to operate a motor vehicle, including any drug or
6340 controlled substance which is unlawful to possess under the
6341 Mississippi Controlled Substances Law, the person must submit to a
6342 one-hundred-twenty-day period of a nonadjudication program that
6343 includes court-ordered drug testing at the person's own expense
6344 not less often than every thirty (30) days, during which time the
6345 person may drive if compliant with the terms of the program, or
6346 suffer a one-hundred-twenty-day suspension of the person's regular
6347 driver's license, during which time the person will not operate
6348 any vehicle.

6349 (ii) Other conditions that may be imposed by the
6350 court include, but are not limited to, alcohol or drug screening,
6351 or both, proof that the person has not committed any other traffic
6352 violations while under court supervision, proof of immobilization
6353 or impoundment of vehicles owned by the offender if required, and
6354 attendance at a victim-impact panel.

6355 (d) The court may enter an order of nonadjudication
6356 only if the court finds, after a hearing or after ex parte
6357 examination of reliable documentation of compliance, that the
6358 offender has successfully completed all conditions imposed by law
6359 and previous orders of the court. The court shall retain



6360 jurisdiction over cases involving nonadjudication for a period of
6361 not more than two (2) years.

6362 (e) (i) The clerk shall immediately forward a record
6363 of every person placed in a nonadjudication program and of every
6364 nonadjudication order to the Department of Public Safety for
6365 inclusion in the permanent confidential registry of all cases that
6366 are nonadjudicated under this subsection (14).

6367 (ii) Judges, clerks and prosecutors involved in
6368 the trial of implied consent violations and law enforcement
6369 officers involved in the issuance of citations for implied consent
6370 violations shall have secure online access to the confidential
6371 registry for the purpose of determining whether a person has
6372 previously been the subject of a nonadjudicated case and 1. is
6373 therefore ineligible for another nonadjudication; 2. is ineligible
6374 as a first offender for a violation of this section; or 3. is
6375 ineligible for expunction of a conviction of a violation of this
6376 section.

6377 (iii) The Driver Services Bureau of the department
6378 shall have access to the confidential registry for the purpose of
6379 determining whether a person is eligible for a form of license not
6380 restricted to operating a vehicle equipped with an
6381 ignition-interlock device.

6382 (iv) The Mississippi Alcohol Safety Education
6383 Program shall have secure online access to the confidential
6384 registry for research purposes only.



(15) The provisions of this section are fully applicable to any person who is under the influence of medical cannabis that is lawful under the Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder which has impaired the person's ability to operate a motor vehicle.

SECTION 67. Section 71-3-7, Mississippi Code of 1972, is amended as follows:

71-3-7. (1) Compensation shall be payable for disability or death of an employee from injury or occupational disease arising out of and in the course of employment, without regard to fault as to the cause of the injury or occupational disease. An occupational disease shall be deemed to arise out of and in the course of employment when there is evidence that there is a direct causal connection between the work performed and the occupational disease. In all claims in which no benefits, including disability, death and medical benefits, have been paid, the claimant shall file medical records in support of his claim for benefits when filing a petition to controvert. If the claimant is unable to file the medical records in support of his claim for benefits at the time of filing the petition to controvert because of a limitation of time established by Section 71-3-35 or Section 71-3-53, the claimant shall file medical records in support of his claim within sixty (60) days after filing the petition to controvert.



6409 (2) Where a preexisting physical handicap, disease, or
6410 lesion is shown by medical findings to be a material contributing
6411 factor in the results following injury, the compensation which,
6412 but for this subsection, would be payable shall be reduced by that
6413 proportion which such preexisting physical handicap, disease, or
6414 lesion contributed to the production of the results following the
6415 injury. The preexisting condition does not have to be
6416 occupationally disabling for this apportionment to apply.

6417 (3) The following provisions shall apply to subsections (1)
6418 and (2) of this section:

6419 (a) Apportionment shall not be applied until the
6420 claimant has reached maximum medical recovery.

6421 (b) The employer or carrier does not have the power to
6422 determine the date of maximum medical recovery or percentage of
6423 apportionment. This must be done by the attorney-referee, subject
6424 to review by the commission as the ultimate finder of fact.

6425 (c) After the date the claimant reaches maximum medical
6426 recovery, weekly compensation benefits and maximum recovery shall
6427 be reduced by that proportion which the preexisting physical
6428 handicap, disease, or lesion contributes to the results following
6429 injury.

6430 (d) If maximum medical recovery has occurred before the
6431 hearing and order of the attorney-referee, credit for excess
6432 payments shall be allowed in future payments. Such allowances and
6433 method of accomplishment of the same shall be determined by the



6434 attorney-referee, subject to review by the commission. However,
6435 no actual repayment of such excess shall be made to the employer
6436 or carrier.

6437 (4) No compensation shall be payable if the use of drugs
6438 illegally, or the use of a valid prescription medication(s) taken
6439 contrary to the prescriber's instructions and/or contrary to label
6440 warnings, or the use of medical cannabis in accordance with the
6441 Mississippi Medical Cannabis Act and rules and regulations adopted
6442 thereunder, or intoxication due to the use of alcohol of the
6443 employee was the proximate cause of the injury, or if it was the
6444 willful intention of the employee to injure or kill himself or
6445 another.

6446 (5) Every employer to whom this chapter applies shall be
6447 liable for and shall secure the payment to his employees of the
6448 compensation payable under its provisions.

6449 (6) In the case of an employer who is a subcontractor, the
6450 contractor shall be liable for and shall secure the payment of
6451 such compensation to employees of the subcontractor, unless the
6452 subcontractor has secured such payment.

6453 **SECTION 68.** Section 71-3-121, Mississippi Code of 1972, is
6454 amended as follows:

6455 71-3-121. (1) In the event that an employee sustains an
6456 injury at work or asserts a work-related injury, the employer
6457 shall have the right to administer drug and alcohol testing or
6458 require that the employee submit himself to drug and alcohol



6459 testing. If the employee has a positive test indicating the
6460 presence, at the time of injury, of any drug illegally used or the
6461 use of a valid prescription medication(s) taken contrary to the
6462 prescriber's instructions and/or contrary to label warnings, or
6463 the use of medical cannabis in accordance with the Mississippi
6464 Medical Cannabis Act and rules and regulations adopted thereunder,
6465 or eight one-hundredths percent (.08%) or more by weight volume of
6466 alcohol in the person's blood, it shall be presumed that the
6467 proximate cause of the injury was the use of a drug illegally, or
6468 the use of a valid prescription medication(s) taken contrary to
6469 the prescriber's instructions and/or contrary to label warnings,
6470 or the use of medical cannabis in accordance with the Mississippi
6471 Medical Cannabis Act and rules and regulations adopted thereunder,
6472 or the intoxication due to the use of alcohol by the employee. If
6473 the employee refuses to submit himself to drug and alcohol testing
6474 immediately after the alleged work-related injury, then it shall
6475 be presumed that the employee was using a drug illegally, or was
6476 using a valid prescription medication(s) contrary to the
6477 prescriber's instructions and/or contrary to label warnings, or
6478 the use of medical cannabis in accordance with the Mississippi
6479 Medical Cannabis Act and rules and regulations adopted thereunder,
6480 or was intoxicated due to the use of alcohol at the time of the
6481 accident and that the proximate cause of the injury was the use of
6482 a drug illegally, or the use of a valid prescription medication(s)
6483 taken contrary to the prescriber's instructions and/or contrary to



6484 label warnings, or the use of medical cannabis in accordance with
6485 the Mississippi Medical Cannabis Act and rules and regulations
6486 adopted thereunder, or the intoxication due to the use of alcohol
6487 of the employee. The burden of proof will then be placed upon the
6488 employee to prove that the use of drugs illegally, or the use of a
6489 valid prescription medication(s) taken contrary to the
6490 prescriber's instructions and/or contrary to label warnings, or
6491 the use of medical cannabis in accordance with the Mississippi
6492 Medical Cannabis Act and rules and regulations adopted thereunder,
6493 or intoxication due to the use of alcohol was not a contributing
6494 cause of the accident in order to defeat the defense of the
6495 employer provided under Section 71-3-7.

6496 (2) The results of the drug and alcohol tests,
6497 employer-administered or otherwise, shall be considered admissible
6498 evidence solely on the issue of causation in the determination of
6499 the use of drugs illegally, or the use of a valid prescription
6500 medication(s) taken contrary to the prescriber's instructions
6501 and/or contrary to label warnings, or the use of medical cannabis
6502 in accordance with the Mississippi Medical Cannabis Act and rules
6503 and regulations adopted thereunder, or the intoxication due to the
6504 use of alcohol of an employee at the time of injury for workers'
6505 compensation purposes under Section 71-3-7.

6506 (3) No cause of action for defamation of character, libel,
6507 slander or damage to reputation arises in favor of any person
6508 against an employer under the provisions of this section.



6509 **SECTION 69.** Section 73-15-29, Mississippi Code of 1972, is
6510 amended as follows:

6511 73-15-29. (1) The board shall have power to revoke, suspend
6512 or refuse to renew any license issued by the board, or to revoke
6513 or suspend any privilege to practice, or to deny an application
6514 for a license, or to fine, place on probation and/or discipline a
6515 licensee, in any manner specified in this article, upon proof that
6516 such person:

6517 (a) Has committed fraud or deceit in securing or
6518 attempting to secure such license;

6519 (b) Has been convicted of a felony, or a crime
6520 involving moral turpitude or has had accepted by a court a plea of
6521 nolo contendere to a felony or a crime involving moral turpitude
6522 (a certified copy of the judgment of the court of competent
6523 jurisdiction of such conviction or pleas shall be prima facie
6524 evidence of such conviction);

6525 (c) Has negligently or willfully acted in a manner
6526 inconsistent with the health or safety of the persons under the
6527 licensee's care;

6528 (d) Has had a license or privilege to practice as a
6529 registered nurse or a licensed practical nurse suspended or
6530 revoked in any jurisdiction, has voluntarily surrendered such
6531 license or privilege to practice in any jurisdiction, has been
6532 placed on probation as a registered nurse or licensed practical
6533 nurse in any jurisdiction or has been placed under a disciplinary



6534 order(s) in any manner as a registered nurse or licensed practical
6535 nurse in any jurisdiction, (a certified copy of the order of
6536 suspension, revocation, probation or disciplinary action shall be
6537 prima facie evidence of such action);

6538 (e) Has negligently or willfully practiced nursing in a
6539 manner that fails to meet generally accepted standards of such
6540 nursing practice;

6541 (f) Has negligently or willfully violated any order,
6542 rule or regulation of the board pertaining to nursing practice or
6543 licensure;

6544 (g) Has falsified or in a repeatedly negligent manner
6545 made incorrect entries or failed to make essential entries on
6546 records;

6547 (h) Is addicted to or dependent on alcohol or other
6548 habit-forming drugs or is a habitual user of narcotics,
6549 barbiturates, amphetamines, hallucinogens, or other drugs having
6550 similar effect, or has misappropriated any medication;

6551 (i) Has a physical, mental or emotional condition that
6552 renders the licensee unable to perform nursing services or duties
6553 with reasonable skill and safety;

6554 (j) Has engaged in any other conduct, whether of the
6555 same or of a different character from that specified in this
6556 article, that would constitute a crime as defined in Title 97 of
6557 the Mississippi Code of 1972, as now or hereafter amended, and



6558 that relates to such person's employment as a registered nurse or
6559 licensed practical nurse;

6560 (k) Engages in conduct likely to deceive, defraud or
6561 harm the public;

6562 (l) Engages in any unprofessional conduct as identified
6563 by the board in its rules;

6564 (m) Has violated any provision of this article; or

6565 (n) Violation(s) of the provisions of Sections 41-121-1
6566 through 41-121-9 relating to deceptive advertisement by health
6567 care practitioners. This paragraph shall stand repealed on July
6568 1, 2025.

6569 (2) When the board finds any person unqualified because of
6570 any of the grounds set forth in subsection (1) of this section, it
6571 may enter an order imposing one or more of the following
6572 penalties:

6573 (a) Denying application for a license or other
6574 authorization to practice nursing or practical nursing;

6575 (b) Administering a reprimand;

6576 (c) Suspending or restricting the license or other
6577 authorization to practice as a registered nurse or licensed
6578 practical nurse for up to two (2) years without review;

6579 (d) Revoking the license or other authorization to
6580 practice nursing or practical nursing;

6581 (e) Requiring the disciplinee to submit to care,
6582 counseling or treatment by persons and/or agencies approved or



6583 designated by the board as a condition for initial, continued or
6584 renewed licensure or other authorization to practice nursing or
6585 practical nursing;

6586 (f) Requiring the disciplinee to participate in a
6587 program of education prescribed by the board as a condition for
6588 initial, continued or renewed licensure or other authorization to
6589 practice;

6590 (g) Requiring the disciplinee to practice under the
6591 supervision of a registered nurse for a specified period of time;
6592 or

6593 (h) Imposing a fine not to exceed Five Hundred Dollars
6594 (\$500.00).

6595 (3) In addition to the grounds specified in subsection (1)
6596 of this section, the board shall be authorized to suspend the
6597 license or privilege to practice of any licensee for being out of
6598 compliance with an order for support, as defined in Section
6599 93-11-153. The procedure for suspension of a license or privilege
6600 to practice for being out of compliance with an order for support,
6601 and the procedure for the reissuance or reinstatement of a license
6602 or privilege to practice suspended for that purpose, and the
6603 payment of any fees for the reissuance or reinstatement of a
6604 license or privilege to practice suspended for that purpose, shall
6605 be governed by Section 93-11-157 or 93-11-163, as the case may be.
6606 If there is any conflict between any provision of Section
6607 93-11-157 or 93-11-163 and any provision of this article, the



6608 provisions of Section 93-11-157 or 93-11-163, as the case may be,
6609 shall control.

6610 (4) If the public health, safety or welfare imperatively
6611 requires emergency action and the board incorporates a finding to
6612 that effect in an order, the board may order summary suspension of
6613 a license pending proceedings for revocation or other action.
6614 These proceedings shall be promptly instituted and determined by
6615 the board.

6616 (5) The board may establish by rule an alternative to
6617 discipline program for licensees who have an impairment as a
6618 result of substance abuse or a mental health condition, which
6619 program shall include at least the following components:

6620 (a) Participation in the program is voluntary with the
6621 licensee, and the licensee must enter the program before the board
6622 holds a disciplinary action hearing regarding the licensee;

6623 (b) The full cost of participation in the program,
6624 including the cost of any care, counseling, treatment and/or
6625 education received by the licensee, shall be borne by the
6626 licensee;

6627 (c) All of the procedures and records regarding the
6628 licensee's participation in the program shall be confidential,
6629 shall not be disclosed and shall be exempt from the provisions of
6630 the Mississippi Public Records Act of 1983; and



(d) A licensee may not participate in the program more often than one (1) time during any period of five (5) years or such longer period as set by the board.

(6) A nurse practitioner who provides a written certification as authorized under the Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder shall not be subject to any disciplinary action under this section solely due to providing the written certification.

SECTION 70. Section 73-19-23, Mississippi Code of 1972, is amended as follows:

73-19-23. (1) (a) The board shall refuse to grant a certificate of licensure to any applicant and may cancel, revoke or suspend the operation of any certificate by it granted for any or all of the following reasons: unprofessional and unethical conduct or the conviction of a crime involving moral turpitude, habitual intemperance in the use of ardent spirits, or stimulants, narcotics, or any other substance that impairs the intellect and judgment to such an extent as to incapacitate one for the performance of the duties of an optometrist. The certificate of licensure of any person can be revoked for violating any section of this chapter.

(b) The board shall conduct a criminal history records check on licensure applicants and on licensees whose licenses are subject to investigation.



6655 (i) The applicant or licensee shall undergo a
6656 fingerprint-based criminal history records check of the
6657 Mississippi central criminal database and the Federal Bureau of
6658 Investigation criminal history database. Each applicant or
6659 licensee shall submit a full set of the applicant's fingerprints
6660 in a form or manner prescribed by the board, which shall be
6661 forwarded to the Bureau of Investigation Identification Division
6662 for this purpose.

6663 (ii) Any and all state or national criminal
6664 history records information obtained by the board that is not
6665 already a matter of public record shall be deemed nonpublic and
6666 confidential information restricted to the exclusive use of the
6667 board, its members, officers, investigators, agents and attorneys
6668 in evaluating the applicant's eligibility or disqualification for
6669 licensure, and shall be exempt from the Mississippi Public Records
6670 Act of 1983. Except when introduced into evidence in a hearing
6671 before the board to determine licensure, no such information or
6672 records related thereto shall, except with the written consent of
6673 the applicant or licensee or by order of a court of competent
6674 jurisdiction, be released or otherwise disclosed by the board to
6675 any other person or agency.

6676 (iii) The board shall provide to the department
6677 the fingerprints of the applicant or licensee, any additional
6678 information that may be required by the department, and a form
6679 signed by the applicant consenting to the check of the criminal



6680 records and to the use of the fingerprints and other identifying
6681 information required by the state or national repositories.

6682 (iv) The board shall charge and collect from the
6683 applicant or licensee, in addition to all other applicable fees
6684 and costs, such amount as may be incurred by the board in
6685 requesting and obtaining state and national criminal history
6686 records information on the applicant or licensee.

6687 (2) The board shall further be authorized to take
6688 disciplinary action against a licensee for any unlawful acts,
6689 which shall include violations of regulations promulgated by the
6690 board, as well as the following acts:

6691 (a) Fraud or misrepresentation in applying for or
6692 procuring an optometric license or in connection with applying for
6693 or procuring periodic renewal of an optometric license.

6694 (b) Cheating on or attempting to subvert the optometric
6695 licensing examination(s).

6696 (c) The conviction of a felony in this state or any
6697 other jurisdiction, or the entry of a guilty or nolo contendere
6698 plea to a felony charge.

6699 (d) The conviction of a felony as defined by federal
6700 law, or the entry of a guilty or nolo contendere plea to a felony
6701 charge.

6702 (e) Conduct likely to deceive, defraud or harm the
6703 public.



6704 (f) Making a false or misleading statement regarding
6705 his or her skill or the efficacy or value of the medicine, device,
6706 treatment or remedy prescribed by him or her or used at his or her
6707 direction in the treatment of any disease or other condition.

6708 (g) Willfully or negligently violating the
6709 confidentiality between doctor and patient, except as required by
6710 law.

6711 (h) Negligence or gross incompetence in the practice of
6712 optometry as determined by the board.

6713 (i) Being found to be a person with mental illness or
6714 with an intellectual disability by any court of competent
6715 jurisdiction.

6716 (j) The use of any false, fraudulent, deceptive or
6717 misleading statement in any document connected with the practice
6718 of optometry.

6719 (k) Aiding or abetting the practice of optometry by an
6720 unlicensed, incompetent or impaired person.

6721 (l) Commission of any act of sexual abuse, misconduct
6722 or exploitation related to the licensee's practice of optometry.

6723 (m) Being addicted or habituated to a drug or
6724 intoxicant.

6725 (n) Violating any state or federal law or regulation
6726 relating to a drug legally classified as a controlled substance.

6727 (o) Obtaining any fee by fraud, deceit or
6728 misrepresentation.



6729 (p) Disciplinary action of another state or
6730 jurisdiction against a licensee or other authorization to practice
6731 optometry based upon acts or conduct by the licensee similar to
6732 acts or conduct that would constitute grounds for action as
6733 defined in this chapter, a certified copy of the record of the
6734 action taken by the other state or jurisdiction being conclusive
6735 evidence thereof.

6736 (q) Failure to report to the board the relocation of
6737 his or her office in or out of the jurisdiction, or to furnish
6738 floor plans as required by regulation.

6739 (r) Violation of any provision(s) of the Optometry
6740 Practice Act or the rules and regulations of the board or of an
6741 action, stipulation or agreement of the board.

6742 (s) To advertise in a manner that tends to deceive,
6743 mislead or defraud the public.

6744 (t) The designation of any person licensed under this
6745 chapter, other than by the terms "optometrist," "Doctor of
6746 Optometry" or "O.D.," which through June 30, 2025, shall include
6747 any violation(s) of the provisions of Sections 41-121-1 through
6748 41-121-9 relating to deceptive advertisement by health care
6749 practitioners.

6750 (u) To knowingly submit or cause to be submitted any
6751 misleading, deceptive or fraudulent representation on a claim
6752 form, bill or statement.



6753 (v) To practice or attempt to practice optometry while
6754 his or her license is suspended.

6755 (3) Any person who is a holder of a certificate of licensure
6756 or who is an applicant for examination for a certificate of
6757 licensure, against whom is preferred any charges, shall be
6758 furnished by the board with a copy of the complaint and shall have
6759 a hearing in Jackson, Mississippi, before the board, at which
6760 hearing he may be represented by counsel. At the hearing,
6761 witnesses may be examined for and against the accused respecting
6762 those charges, and the hearing orders or appeals will be conducted
6763 according to the procedure now provided in Section 73-25-27. The
6764 suspension of a certificate of licensure by reason of the use of
6765 stimulants or narcotics may be removed when the holder of the
6766 certificate has been adjudged by the board to be cured and capable
6767 of practicing optometry.

6768 (4) In addition to the reasons specified in subsections (1)
6769 and (2) of this section, the board shall be authorized to suspend
6770 the license of any licensee for being out of compliance with an
6771 order for support, as defined in Section 93-11-153. The procedure
6772 for suspension of a license for being out of compliance with an
6773 order for support, and the procedure for the reissuance or
6774 reinstatement of a license suspended for that purpose, and the
6775 payment of any fees for the reissuance or reinstatement of a
6776 license suspended for that purpose, shall be governed by Section
6777 93-11-157 or 93-11-163, as the case may be. If there is any



conflict between any provision of Section 93-11-157 or 93-11-163 and any provision of this chapter, the provisions of Section 93-11-157 or 93-11-163, as the case may be, shall control.

(5) A licensee who provides a written certification as authorized under the Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder shall not be subject to any disciplinary action under this section solely due to providing the written certification.

SECTION 71. Section 73-21-127, Mississippi Code of 1972, is amended as follows:

73-21-127. (1) The Board of Pharmacy shall develop and implement a computerized program to track prescriptions for controlled substances and to report suspected abuse and misuse of controlled substances in compliance with the federal regulations promulgated under authority of the National All Schedules Prescription Electronic Reporting Act of 2005 and in compliance with the federal HIPAA law, under the following conditions:

(a) Submission or reporting of dispensing information shall be mandatory and required by the State Board of Pharmacy for any entity dispensing controlled substances in or into the State of Mississippi, except for the dispensing of controlled substance drugs by a veterinarian residing in the State of Mississippi.

(b) The prescriptions tracked shall be prescriptions for controlled substances listed in Schedule II, III, IV or V and specified noncontrolled substances identified by the State Board



6803 of Pharmacy that are dispensed to residents in the State of
6804 Mississippi by licensed pharmacies, nonresident pharmacies,
6805 institutions and dispensing practitioners, regardless of dispenser
6806 location.

6807 (c) The Board of Pharmacy shall report any activity it
6808 reasonably suspects may be fraudulent or illegal to the
6809 appropriate law enforcement agency or occupational licensing board
6810 and provide them with the relevant information obtained for
6811 further investigation.

6812 (d) The program shall provide information regarding the
6813 potential inappropriate use of controlled substances and the
6814 specified noncontrolled substances to practitioners,
6815 pharmacists-in-charge and appropriate state agencies in order to
6816 prevent the inappropriate or illegal use of these controlled
6817 substances. The specific purposes of the program shall be to: be
6818 proactive in safeguarding public health and safety; support the
6819 legitimate use of controlled substances; facilitate and encourage
6820 the identification, intervention with and treatment of individuals
6821 addicted to controlled substances and specified noncontrolled
6822 drugs; identify and prevent drug diversion; provide assistance to
6823 those state and federal law enforcement and regulatory agencies
6824 investigating cases of drug diversion or other misuse; and inform
6825 the public and health care professionals of the use and abuse
6826 trends related to controlled substance and specified noncontrolled
6827 drugs.



6828 (e) (i) Access to collected data shall be confidential
6829 and not subject to the provisions of the federal Freedom of
6830 Information Act or the Mississippi Public Records Act. Upon
6831 request, the State Board of Pharmacy shall provide collected
6832 information to: pharmacists or practitioners who are properly
6833 registered with the State Board of Pharmacy and are authorized to
6834 prescribe or dispense controlled substances for the purpose of
6835 providing medical and pharmaceutical care for their patients;
6836 local, state and federal law enforcement officials engaged in the
6837 administration, investigation or enforcement of the laws governing
6838 illicit drug use; regulatory and licensing boards in this state;
6839 Division of Medicaid regarding Medicaid and Medicare Program
6840 recipients; judicial authorities under grand jury subpoena; an
6841 individual who requests the individual's own prescription
6842 monitoring information; and prescription monitoring programs in
6843 other states through mutual agreement adhering to State Board of
6844 Pharmacy policies.

6845 (ii) The Director of the Mississippi Bureau of
6846 Narcotics, or his designee, shall have access to the Prescription
6847 Monitoring Program (PMP) database for the purpose of investigating
6848 the potential illegal acquisition, distribution, dispensing,
6849 prescribing or administering of the controlled and noncontrolled
6850 substances monitored by the program, subject to all legal
6851 restrictions on further dissemination of the information obtained.



6852 (iii) The State Board of Pharmacy may also provide
6853 statistical data for research or educational purposes if the board
6854 determines the use of the data to be of significant benefit to
6855 public health and safety. The board maintains the right to refuse
6856 any request for PMP data.

6857 (iv) A pharmacist licensed by the Mississippi
6858 Board of Pharmacy must be a registered user of the PMP. Failure
6859 of a pharmacist licensed by the Mississippi Board of Pharmacy to
6860 register as a user of the PMP is grounds for disciplinary action
6861 by the board.

6862 (v) All licensed practitioners as defined under
6863 Section 73-21-73(ee) holding an active DEA number shall register
6864 as users of the PMP.

6865 (f) The Prescription Monitoring Program through the
6866 Board of Pharmacy may:

6867 (i) Establish the cost of administration,
6868 maintenance, and operation of the program and charge to like
6869 agencies a fee based on a formula to be determined by the board
6870 with collaboration and input from participating agencies; and

6871 (ii) Assess charges for information and/or
6872 statistical data provided to agencies, institutions and
6873 individuals. The amounts of those fees shall be set by the
6874 Executive Director of the Board of Pharmacy based on the
6875 recommendation of the Director of the PMP.



6876 All such fees collected shall be deposited into the special
6877 fund of the State Board of Pharmacy and used to support the
6878 operations of the PMP.

6879 (g) A dispenser pharmacist or practitioner licensed to
6880 dispense controlled substances and specified noncontrolled
6881 substance drugs who knowingly fails to submit drug-monitoring
6882 information or knowingly submits incorrect dispensing information
6883 shall be subject to actions against the pharmacist's or
6884 practitioner's license, registrations or permit and/or an
6885 administrative penalty as provided in Sections 73-21-97 and
6886 73-21-103. Any misuse of the PMP is subject to penalties as
6887 provided in Sections 73-21-97 and 73-21-103.

6888 (h) The Board of Pharmacy and the Prescription
6889 Monitoring Program shall be immune from civil liability arising
6890 from inaccuracy of any of the information submitted to the
6891 program.

6892 (i) "Practitioner," as used in this section, shall
6893 include any person licensed, registered or otherwise permitted to
6894 distribute, dispense, prescribe or administer a controlled
6895 substance, as defined under Section 41-29-105(y), and any person
6896 defined as a "practitioner" under Section 73-21-73(ee).

6897 (j) In addition to any funds appropriated by the
6898 Legislature, the State Board of Pharmacy may apply for any
6899 available grants and accept any gifts, grants or donations to
6900 assist in future development or in maintaining the program.



(2) In addition to receiving the dispensing information regarding controlled substances as provided in subsection (1) of this section, the State Board of Pharmacy shall receive and maintain in the Prescription Monitoring Program (a) the medical cannabis dispensing information that medical cannabis dispensaries under the Mississippi Medical Cannabis Act are required to report to the PMP under Section 17 of this act, and (b) any other medical cannabis dispensing information that dispensaries are required to report to the PMP. The medical cannabis dispensing information reported by medical cannabis dispensaries under Section 17 of this act shall not be considered to be a prescription for the purposes of the Mississippi Pharmacy Practice Act or the Uniform Controlled Substances Law.

SECTION 72. Section 73-25-29, Mississippi Code of 1972, is amended as follows:

73-25-29. The grounds for the nonissuance, suspension, revocation or restriction of a license or the denial of reinstatement or renewal of a license are:

(1) Habitual personal use of narcotic drugs, or any other drug having addiction-forming or addiction-sustaining liability.

(2) Habitual use of intoxicating liquors, or any beverage, to an extent which affects professional competency.

(3) Administering, dispensing or prescribing any narcotic drug, or any other drug having addiction-forming or



addiction-sustaining liability otherwise than in the course of
legitimate professional practice.

(4) Conviction of violation of any federal or state law
regulating the possession, distribution or use of any narcotic
drug or any drug considered a controlled substance under state or
federal law, a certified copy of the conviction order or judgment
rendered by the trial court being prima facie evidence thereof,
notwithstanding the pendency of any appeal.

(5) Procuring, or attempting to procure, or aiding in,
an abortion that is not medically indicated.

(6) Conviction of a felony or misdemeanor involving
moral turpitude, a certified copy of the conviction order or
judgment rendered by the trial court being prima facie evidence
thereof, notwithstanding the pendency of any appeal.

(7) Obtaining or attempting to obtain a license by
fraud or deception.

(8) Unprofessional conduct, which includes, but is not
limited to:

(a) Practicing medicine under a false or assumed
name or impersonating another practitioner, living or dead.

(b) Knowingly performing any act which in any way
assists an unlicensed person to practice medicine.

(c) Making or willfully causing to be made any
flamboyant claims concerning the licensee's professional
excellence.



6951 (d) Being guilty of any dishonorable or unethical
6952 conduct likely to deceive, defraud or harm the public.

6953 (e) Obtaining a fee as personal compensation or
6954 gain from a person on fraudulent representation of a disease or
6955 injury condition generally considered incurable by competent
6956 medical authority in the light of current scientific knowledge and
6957 practice can be cured or offering, undertaking, attempting or
6958 agreeing to cure or treat the same by a secret method, which he
6959 refuses to divulge to the board upon request.

6960 (f) Use of any false, fraudulent or forged
6961 statement or document, or the use of any fraudulent, deceitful,
6962 dishonest or immoral practice in connection with any of the
6963 licensing requirements, including the signing in his professional
6964 capacity any certificate that is known to be false at the time he
6965 makes or signs such certificate.

6966 (g) Failing to identify a physician's school of
6967 practice in all professional uses of his name by use of his earned
6968 degree or a description of his school of practice.

6969 (9) The refusal of a licensing authority of another
6970 state or jurisdiction to issue or renew a license, permit or
6971 certificate to practice medicine in that jurisdiction or the
6972 revocation, suspension or other restriction imposed on a license,
6973 permit or certificate issued by such licensing authority which
6974 prevents or restricts practice in that jurisdiction, a certified
6975 copy of the disciplinary order or action taken by the other state



6976 or jurisdiction being prima facie evidence thereof,
6977 notwithstanding the pendency of any appeal.

6978 (10) Surrender of a license or authorization to
6979 practice medicine in another state or jurisdiction or surrender of
6980 membership on any medical staff or in any medical or professional
6981 association or society while under disciplinary investigation by
6982 any of those authorities or bodies for acts or conduct similar to
6983 acts or conduct which would constitute grounds for action as
6984 defined in this section.

6985 (11) Final sanctions imposed by the United States
6986 Department of Health and Human Services, Office of Inspector
6987 General or any successor federal agency or office, based upon a
6988 finding of incompetency, gross misconduct or failure to meet
6989 professionally recognized standards of health care; a certified
6990 copy of the notice of final sanction being prima facie evidence
6991 thereof. As used in this paragraph, the term "final sanction"
6992 means the written notice to a physician from the United States
6993 Department of Health and Human Services, Officer of Inspector
6994 General or any successor federal agency or office, which
6995 implements the exclusion.

6996 (12) Failure to furnish the board, its investigators or
6997 representatives information legally requested by the board.

6998 (13) Violation of any provision(s) of the Medical
6999 Practice Act or the rules and regulations of the board or of any
7000 order, stipulation or agreement with the board.



7001 (14) Violation(s) of the provisions of Sections
7002 41-121-1 through 41-121-9 relating to deceptive advertisement by
7003 health care practitioners.

7004 (15) Performing or inducing an abortion on a woman in
7005 violation of any provision of Sections 41-41-131 through
7006 41-41-145.

7007 (16) Performing an abortion on a pregnant woman after
7008 determining that the unborn human individual that the pregnant
7009 woman is carrying has a detectable fetal heartbeat as provided in
7010 Section 41-41-34.1.

7011 In addition to the grounds specified above, the board shall
7012 be authorized to suspend the license of any licensee for being out
7013 of compliance with an order for support, as defined in Section
7014 93-11-153. The procedure for suspension of a license for being
7015 out of compliance with an order for support, and the procedure for
7016 the reissuance or reinstatement of a license suspended for that
7017 purpose, and the payment of any fees for the reissuance or
7018 reinstatement of a license suspended for that purpose, shall be
7019 governed by Section 93-11-157 or 93-11-163, as the case may be.
7020 If there is any conflict between any provision of Section
7021 93-11-157 or 93-11-163 and any provision of this chapter, the
7022 provisions of Section 93-11-157 or 93-11-163, as the case may be,
7023 shall control.

7024 A physician who provides a written certification as
7025 authorized under the Mississippi Medical Cannabis Act and in



compliance with rules and regulations adopted thereunder shall not
be subject to any disciplinary action under this section solely
due to providing the written certification.

SECTION 73. Section 83-9-22, Mississippi Code of 1972, is
amended as follows:

83-9-22. (1) (a) Notwithstanding any other provision of
the law to the contrary, except as otherwise provided in
subsection (3) of this section, no health coverage plan shall
restrict coverage for medically appropriate treatment prescribed
by a physician and agreed to by a fully informed insured, or if
the insured lacks legal capacity to consent by a person who has
legal authority to consent on his or her behalf, based on an
insured's diagnosis with a terminal condition. Refusing to pay
for treatment rendered to an insured near the end of life that is
consistent with best practices for treatment of a disease or
condition, approved uses of a drug or device, or uses supported by
peer reviewed medical literature, is a per se violation of this
section.

(b) Violations of this section shall constitute an
unfair trade practice and subject the violator to the penalties
provided by law.

(c) As used in this section "terminal condition" means
any aggressive malignancy, chronic end-stage cardiovascular or
cerebral vascular disease, or any other disease, illness or
condition which a physician diagnoses as terminal.



7051 (d) As used in this section, a "health coverage plan"
7052 shall mean any hospital, health or medical expense insurance
7053 policy, hospital or medical service contract, employee welfare
7054 benefit plan, contract or agreement with a health maintenance
7055 organization or a preferred provider organization, health and
7056 accident insurance policy, or any other insurance contract of this
7057 type, including a group insurance plan and the State Health and
7058 Life Insurance Plan.

7059 (2) (a) Notwithstanding any other provision of the law to
7060 the contrary, no health benefit paid directly or indirectly with
7061 state funds, specifically Medicaid, shall restrict coverage for
7062 medically appropriate treatment prescribed by a physician and
7063 agreed to by a fully informed individual, or if the individual
7064 lacks legal capacity to consent by a person who has legal
7065 authority to consent on his or her behalf, based on an
7066 individual's diagnosis with a terminal condition.

7067 (b) Refusing to pay for treatment rendered to an
7068 individual near the end of life that is consistent with best
7069 practices for treatment of a disease or condition, approved uses
7070 of a drug or device, or uses supported by peer reviewed medical
7071 literature, is a per se violation of this section.

7072 (c) As used in this section "terminal condition" means
7073 any aggressive malignancy, chronic end-stage cardiovascular or
7074 cerebral vascular disease, or any other disease, illness or
7075 condition which a physician diagnoses as terminal.



(3) This section does not require a health coverage plan to cover and pay for the treatment of a person who is a cardholder and registered qualifying patient with medical cannabis that is lawful under the Mississippi Medical Cannabis Act and in compliance with rules and regulations adopted thereunder.

SECTION 74. Sections 1 through 28 and Sections 30 through 33 of this act shall be codified as a new chapter in Title 41, Mississippi Code of 1972. Section 29 of this act shall be codified as a new chapter in Title 27, Mississippi Code of 1972.

SECTION 75. Section 27-7-22.5, Mississippi Code of 1972, is amended as follows:

27-7-22.5. (1) (a) For any manufacturer, distributor, wholesale or retail merchant who pays to a county, municipality, school district, levee district or any other taxing authority of the state or a political subdivision thereof, ad valorem taxes imposed on commodities, raw materials, works-in-process, products, goods, wares and merchandise held for resale, a credit against the income taxes imposed under this chapter shall be allowed for the portion of the ad valorem taxes so paid in the amounts prescribed in subsection (2).

(b) (i) For any person, firm or corporation who pays to a county, municipality, school district, levee district or any other taxing authority of the state or a political subdivision thereof, ad valorem taxes imposed on rental equipment, a credit against the income taxes imposed under this chapter shall be



7101 allowed for the portion of the ad valorem taxes so paid in the
7102 amounts prescribed in subsection (2).

7103 (ii) As used in this paragraph, "rental equipment"
7104 means any rental equipment or other rental items which are held
7105 for short-term rental to the public:

7106 1. Under rental agreements with no specific
7107 term;

7108 2. Under at-will or open-ended agreements; or

7109 3. Under rental agreements with terms
7110 ordinarily of less than three hundred sixty-five (365) days; and

7111 4. Is not subject to privilege taxes imposed
7112 in Chapter 19, Title 27, Mississippi Code of 1972.

7113 (c) The tax credit allowed by this section may not be
7114 claimed by a taxpayer that is a medical cannabis establishment as
7115 defined in the Mississippi Medical Cannabis Act.

7116 (2) The tax credit allowed by this section shall not exceed
7117 the amounts set forth in paragraphs (a) through (g) of this
7118 subsection; and may be claimed for each location where such
7119 commodities, raw material, works-in-process, products, goods,
7120 wares, merchandise and/or rental equipment are found and upon
7121 which the ad valorem taxes have been paid. Any tax credit claimed
7122 under this section but not used in any taxable year may be carried
7123 forward for five (5) consecutive years from the close of the tax
7124 year in which the credit was earned.



7125 (a) For the 1994 taxable year, the tax credit for each
7126 location of the taxpayer shall not exceed the lesser of Two
7127 Thousand Dollars (\$2,000.00) or the amount of income taxes due the
7128 State of Mississippi that are attributable to such location.

7129 (b) For the 1995 taxable year, the tax credit for each
7130 location of the taxpayer shall not exceed the lesser of Three
7131 Thousand Dollars (\$3,000.00) or the amount of income taxes due the
7132 State of Mississippi that are attributable to such location.

7133 (c) For the 1996 taxable year, the tax credit for each
7134 location of the taxpayer shall not exceed the lesser of Four
7135 Thousand Dollars (\$4,000.00) or the amount of income taxes due the
7136 State of Mississippi that are attributable to such location.

7137 (d) For the 1997 taxable year and each taxable year
7138 thereafter through taxable year 2013, the tax credit for each
7139 location of the taxpayer shall not exceed the lesser of Five
7140 Thousand Dollars (\$5,000.00) or the amount of income taxes due the
7141 State of Mississippi that are attributable to such location.

7142 (e) For the 2014 taxable year, the tax credit for each
7143 location of the taxpayer shall not exceed the lesser of Ten
7144 Thousand Dollars (\$10,000.00) or the amount of income taxes due
7145 the State of Mississippi that are attributable to such location.

7146 (f) For the 2015 taxable year, the tax credit for each
7147 location of the taxpayer shall not exceed the lesser of Fifteen
7148 Thousand Dollars (\$15,000.00) or the amount of income taxes due
7149 the State of Mississippi that are attributable to such location.



7150 (g) For the 2016 taxable year and each taxable year
7151 thereafter, the tax credit of the taxpayer shall be the lesser of
7152 the amount of the ad valorem taxes described in subsection (1)
7153 paid or the amount of income taxes due the State of Mississippi
7154 that are attributable to such location.

7155 (3) Any amount of ad valorem taxes paid by a taxpayer that
7156 is applied toward the tax credit allowed in this section may not
7157 be used as a deduction by the taxpayer for state income tax
7158 purposes. In the case of a taxpayer that is a partnership,
7159 limited liability company or S corporation, the credit may be
7160 applied only to the tax attributable to partnership, limited
7161 liability company or S corporation income derived from the
7162 taxpayer.

7163 **SECTION 76.** Section 27-7-22.30, Mississippi Code of 1972, is
7164 amended as follows:

7165 27-7-22.30. (1) As used in this section:

7166 (a) "Manufacturing enterprise" means an enterprise
7167 that:

7168 (i) Falls within the definition of the term
7169 "manufacturer" in Section 27-65-11; and

7170 (ii) Has operated in this state for not less than
7171 two (2) years prior to application for the credit authorized by
7172 this section * * *.



7173 (b) "Eligible investment" means an investment of at
7174 least One Million Dollars (\$1,000,000.00) in buildings and/or
7175 equipment for the manufacturing enterprise.

7176 The term "manufacturing enterprise" does not include any
7177 medical cannabis establishment as defined in the Mississippi
7178 Medical Cannabis Act.

7179 (2) A manufacturing enterprise is allowed a manufacturing
7180 investment tax credit for taxes imposed by Section 27-7-5 equal to
7181 five percent (5%) of the eligible investments made by the
7182 manufacturing enterprise.

7183 (3) Any tax credit claimed under this section but not used
7184 in any taxable year may be carried forward for five (5) years from
7185 the close of the tax year in which the eligible investment was
7186 made, but the credit established by this section taken in any one
7187 tax year shall not exceed fifty percent (50%) of the taxpayer's
7188 state income tax liability which is attributable to income derived
7189 from operations in the state for that year reduced by the sum of
7190 all other income tax credits allowable to the taxpayer, except
7191 credit for tax payments made by or on behalf of the taxpayer.

7192 (4) The maximum credit that may be claimed by a taxpayer on
7193 any project shall be limited to One Million Dollars
7194 (\$1,000,000.00).

7195 (5) The credit received under this section is subject to
7196 recapture if the property for which the tax credit was received is
7197 disposed of, or converted to, other than business use. The amount



7198 of the credit subject to recapture is one hundred percent (100%)
7199 of the credit in the first year and fifty percent (50%) of the
7200 credit in the second year. This subsection shall not apply in
7201 cases in which an entire facility is sold.

7202 (6) The sale, merger, acquisition, reorganization,
7203 bankruptcy or relocation from one (1) county to another county
7204 within the state of any manufacturing enterprise may not create
7205 new eligibility in any succeeding business entity, but any unused
7206 manufacturing investment tax credit may be transferred and
7207 continued by any transferee of the enterprise. The * * *
7208 department shall determine whether or not qualifying net increases
7209 or decreases have occurred or proper transfers of credit have been
7210 made and may require reports, promulgate regulations, and hold
7211 hearings as needed for substantiation and qualification.

7212 (7) No manufacturing enterprise for the transportation,
7213 handling, storage, processing or disposal of hazardous waste is
7214 eligible to receive the tax credits provided in this section.

7215 (8) The credits allowed under this section shall not be used
7216 by any business enterprise or corporation other than the
7217 manufacturing enterprise actually qualifying for the credits.

7218 **SECTION 77.** Section 27-31-51, Mississippi Code of 1972, is
7219 amended as follows:

7220 27-31-51. (1) As used in Sections 27-31-51 through
7221 27-31-61:



7222 (a) "Warehouse" or "storage facility" shall not apply
7223 to caves or cavities in the earth, whether natural or artificial;

7224 (b) "Governing authorities" means the board of
7225 supervisors of the county wherein the warehouse or storage
7226 facility is located or the governing authorities of the
7227 municipality wherein the warehouse or storage facility is located,
7228 as the case may be;

7229 (c) "Tax assessor" means the tax assessor of each
7230 taxing jurisdiction in which the warehouse or storage facility may
7231 be located.

7232 (2) All warehouses, public or private, or other storage
7233 facilities in the State of Mississippi regularly engaged in the
7234 handling and storage of personal property in structures or in
7235 places adopted for such handling and storage which is consigned or
7236 transferred to such warehouse or storage facility for storage and
7237 handling shall be eligible for licensing under the provisions of
7238 Sections 27-31-51 through 27-31-61 as a "free port warehouse." A
7239 manufacturer of personal property that maintains separate
7240 facilities, structures, places or areas for the temporary storage
7241 and handling of such personal property pending transit to a final
7242 destination outside the State of Mississippi shall be eligible for
7243 licensing under Sections 27-31-51 through 27-31-61 as a "free port
7244 warehouse," and any license issued to such a manufacturer before
7245 January 1, 2012, is hereby ratified, approved and confirmed. No
7246 medical cannabis establishment, as defined in the Mississippi



7247 Medical Cannabis Act, or warehouses, facilities, structures,
7248 places or areas belonging to or used by a medical cannabis
7249 establishment may be licensed as a free port warehouse.

7250 (3) Such licenses shall be issued by the governing
7251 authorities to such warehouse or storage facility as will qualify
7252 under the definition of "free port warehouse" as herein defined,
7253 upon application by the warehouse or storage facility operator.

7254 **SECTION 78.** Section 27-31-53, Mississippi Code of 1972, is
7255 amended as follows:

7256 27-31-53. All personal property in transit through this
7257 state which is (a) moving in interstate commerce through or over
7258 the territory of the State of Mississippi, (b) which was consigned
7259 or transferred to a licensed "free port warehouse," public or
7260 private, within the State of Mississippi for storage in transit to
7261 a final destination outside the State of Mississippi, whether
7262 specified when transportation begins or afterward, (c)
7263 manufactured in the State of Mississippi and stored in separate
7264 facilities, structures, places or areas maintained by a
7265 manufacturer, licensed as a free port warehouse, for temporary
7266 storage or handling pending transit to a final destination outside
7267 the State of Mississippi, or (d) consigned or transferred to a
7268 licensed free port warehouse, public or private, within the State
7269 of Mississippi, for storage pending transit to not more than one
7270 (1) other location in this state for production or processing into
7271 a component or part that is then transported to a final



7272 destination outside of the State of Mississippi, may, in the
7273 discretion of the board of supervisors of the county wherein the
7274 warehouse or storage facility is located, and in the discretion of
7275 the governing authorities of the municipality wherein the
7276 warehouse or storage facility is located, as the case may be, be
7277 exempt from all ad valorem taxes imposed by the respective county
7278 or municipality and the property exempted therefrom shall not be
7279 deemed to have acquired a situs in the State of Mississippi for
7280 the purposes of such taxation. Any exemption granted to a
7281 licensed "free port warehouse" pursuant to this section shall be
7282 effective as of the first calendar day of the taxable year in
7283 which the warehouse applied for the exemption by virtue of
7284 submitting the application for licensure, and shall remain in
7285 effect for such period of time as the respective governing
7286 authority may prescribe. Such property shall not be deprived of
7287 exemption because while in a warehouse the property is bound,
7288 divided, broken in bulk, labeled, relabeled or repackaged. Any
7289 exemption from ad valorem taxes granted before January 1, 2012, is
7290 hereby ratified, approved and confirmed.

7291 The exemption provided for in this section shall not be
7292 authorized for any personal property of a medical cannabis
7293 establishment as defined in the Mississippi Medical Cannabis Act.

7294 **SECTION 79.** Section 27-31-101, Mississippi Code of 1972, is
7295 amended as follows:

7296 **[Through June 30, 2022, this section shall read as follows:]**



7297 27-31-101. (1) County boards of supervisors and municipal
7298 authorities are hereby authorized and empowered, in their
7299 discretion, to grant exemptions from ad valorem taxation, except
7300 state ad valorem taxation; however, such governing authorities
7301 shall not exempt ad valorem taxes for school district purposes on
7302 tangible property used in, or necessary to, the operation of the
7303 manufacturers and other new enterprises enumerated by classes in
7304 this section, except to the extent authorized in Sections
7305 27-31-104 and 27-31-105(2), nor shall they exempt from ad valorem
7306 taxes the products of the manufacturers or other new enterprises
7307 or automobiles and trucks belonging to the manufacturers or other
7308 new enterprises operating on and over the highways of the State of
7309 Mississippi. The time of such exemption shall be for a period not
7310 to exceed a total of ten (10) years which shall begin on the date
7311 of completion of the new enterprise for which the exemption is
7312 granted; however, boards of supervisors and municipal authorities,
7313 in lieu of granting the exemption for one (1) period of ten (10)
7314 years, may grant the exemption in a period of less than ten (10)
7315 years. When the initial exemption period granted is less than ten
7316 (10) years, the boards of supervisors and municipal authorities
7317 may grant a subsequent consecutive period or periods to follow the
7318 initial period of exemption, provided that the total of all
7319 periods of exemption shall not exceed ten (10) years. The date of
7320 completion of the new enterprise, from which the initial period of
7321 exemption shall begin, shall be the date on which operations of



7322 the new enterprise begin. The initial request for an exemption
7323 must be made in writing by June 1 of the year immediately
7324 following the year in which the date of completion of a new
7325 enterprise occurs. If the initial request for the exemption is
7326 not timely made, the board of supervisors or municipal authorities
7327 may grant a subsequent request for the exemption and, in such
7328 case, the exemption shall begin on the anniversary date of
7329 completion of the enterprise in the year in which the request is
7330 made and may be for a period of time extending not more than ten
7331 (10) years from the date of completion of the new enterprise. Any
7332 subsequent request for the exemption must be made in writing by
7333 June 1 of the year in which it is granted.

7334 (2) Any board of supervisors or municipal authority which
7335 has granted an exemption for a period of less than ten (10) years
7336 may grant subsequent periods of exemption to run consecutively
7337 with the initial exemption period, or a subsequently granted
7338 exemption period, but in no case shall the total of the exemption
7339 periods granted for a new enterprise exceed ten (10) years. Any
7340 consecutive period of exemption shall be granted by entry of an
7341 order by the board or the authority granting the consecutive
7342 exemption on its minutes, reflecting the granting of the
7343 consecutive exemption period and the dates upon which such
7344 consecutive exemption period begins and expires. The entry of
7345 this order granting the consecutive period of exemption shall be



made before the expiration of the exemption period immediately preceding the consecutive exemption period being granted.

(3) (a) The new enterprises for which any or all of the tangible property described in paragraph (b) of this subsection (3) may be exempt from ad valorem taxation, except state ad valorem taxation, ad valorem taxes for school district purposes, and ad valorem taxes on the products thereof or on automobiles and trucks belonging thereto and operating on and over the highways of the State of Mississippi, are enumerated as and limited to the following, as determined by the Department of Revenue:

(i) Warehouse and/or distribution centers;

(ii) Manufacturing, processors and refineries;

(iii) Research facilities;

(iv) Corporate regional and national headquarters meeting minimum criteria established by the Mississippi Development Authority;

(v) Movie industry studios meeting minimum criteria established by the Mississippi Development Authority;

(vi) Air transportation and maintenance facilities meeting minimum criteria established by the Mississippi Development Authority;

(vii) Recreational facilities that impact tourism meeting minimum criteria established by the Mississippi Development Authority;



7370 (viii) Data/information processing enterprises
7371 meeting minimum criteria established by the Mississippi
7372 Development Authority;
7373 (ix) Technology intensive enterprises or
7374 facilities meeting criteria established by the Mississippi
7375 Development Authority;
7376 (x) Health care industry facilities as defined in
7377 Section 57-117-3;
7378 (xi) Data centers as defined in Section 57-113-21;
7379 and
7380 (xii) Telecommunications enterprises meeting
7381 minimum criteria established by the Mississippi Development
7382 Authority. The term "telecommunications enterprises" means
7383 entities engaged in the creation, display, management, storage,
7384 processing, transmission or distribution for compensation of
7385 images, text, voice, video or data by wire or by wireless means,
7386 or entities engaged in the construction, design, development,
7387 manufacture, maintenance or distribution for compensation of
7388 devices, products, software or structures used in the above
7389 activities. Companies organized to do business as commercial
7390 broadcast radio stations, television stations or news
7391 organizations primarily serving in-state markets shall not be
7392 included within the definition of the term "telecommunications
7393 enterprises."



7394 The new enterprises enumerated in this paragraph (a) do not
7395 include medical cannabis establishments as defined in the
7396 Mississippi Medical Cannabis Act.

7397 (b) An exemption from ad valorem taxes granted under
7398 this section may include any or all tangible property, real or
7399 personal, including any leasehold interests therein but excluding
7400 automobiles and trucks operating on and over the highways of the
7401 State of Mississippi, used in connection with, or necessary to,
7402 the operation of an enterprise enumerated in paragraph (a) of this
7403 subsection (3), whether or not such property is owned, leased,
7404 subleased, licensed or otherwise obtained by such enterprise,
7405 irrespective of the taxpayer to which any such leased property is
7406 assessed for ad valorem tax purposes. If an exemption is granted
7407 pursuant to this section with respect to any leasehold interest
7408 under a lease, sublease or license of tangible property used in
7409 connection with, or necessary to, the operation of an enterprise
7410 enumerated in paragraph (a) of this subsection (3), the
7411 corresponding ownership interest of the owner, lessor and
7412 sublessor of such tangible property shall similarly and
7413 automatically be exempt without any action being required to be
7414 taken by such owner, lessor or sublessor.

7415 (4) Any exemption from ad valorem taxes granted under this
7416 section before March 28, 2019, and consistent herewith, is hereby
7417 ratified, approved and confirmed.



7418 **[From and after July 1, 2022, this section shall read as**
7419 **follows:]**

7420 27-31-101. (1) County boards of supervisors and municipal
7421 authorities are hereby authorized and empowered, in their
7422 discretion, to grant exemptions from ad valorem taxation, except
7423 state ad valorem taxation; however, such governing authorities
7424 shall not exempt ad valorem taxes for school district purposes on
7425 tangible property used in, or necessary to, the operation of the
7426 manufacturers and other new enterprises enumerated by classes in
7427 this section, except to the extent authorized in Sections
7428 27-31-104 and 27-31-105(2), nor shall they exempt from ad valorem
7429 taxes the products of the manufacturers or other new enterprises
7430 or automobiles and trucks belonging to the manufacturers or other
7431 new enterprises operating on and over the highways of the State of
7432 Mississippi. The time of such exemption shall be for a period not
7433 to exceed a total of ten (10) years which shall begin on the date
7434 of completion of the new enterprise for which the exemption is
7435 granted; however, boards of supervisors and municipal authorities,
7436 in lieu of granting the exemption for one (1) period of ten (10)
7437 years, may grant the exemption in a period of less than ten (10)
7438 years. When the initial exemption period granted is less than ten
7439 (10) years, the boards of supervisors and municipal authorities
7440 may grant a subsequent consecutive period or periods to follow the
7441 initial period of exemption, provided that the total of all
7442 periods of exemption shall not exceed ten (10) years. The date of



7443 completion of the new enterprise, from which the initial period of
7444 exemption shall begin, shall be the date on which operations of
7445 the new enterprise begin. The initial request for an exemption
7446 must be made in writing by June 1 of the year immediately
7447 following the year in which the date of completion of a new
7448 enterprise occurs. If the initial request for the exemption is
7449 not timely made, the board of supervisors or municipal authorities
7450 may grant a subsequent request for the exemption and, in such
7451 case, the exemption shall begin on the anniversary date of
7452 completion of the enterprise in the year in which the request is
7453 made and may be for a period of time extending not more than ten
7454 (10) years from the date of completion of the new enterprise. Any
7455 subsequent request for the exemption must be made in writing by
7456 June 1 of the year in which it is granted.

7457 (2) Any board of supervisors or municipal authority which
7458 has granted an exemption for a period of less than ten (10) years
7459 may grant subsequent periods of exemption to run consecutively
7460 with the initial exemption period, or a subsequently granted
7461 exemption period, but in no case shall the total of the exemption
7462 periods granted for a new enterprise exceed ten (10) years. Any
7463 consecutive period of exemption shall be granted by entry of an
7464 order by the board or the authority granting the consecutive
7465 exemption on its minutes, reflecting the granting of the
7466 consecutive exemption period and the dates upon which such
7467 consecutive exemption period begins and expires. The entry of



7468 this order granting the consecutive period of exemption shall be
7469 made before the expiration of the exemption period immediately
7470 preceding the consecutive exemption period being granted.

7471 (3) (a) The new enterprises for which any or all of the
7472 tangible property described in paragraph (b) of this subsection
7473 (3) may be exempt from ad valorem taxation, except state ad
7474 valorem taxation, ad valorem taxes for school district purposes,
7475 and ad valorem taxes on the products thereof or on automobiles and
7476 trucks belonging thereto and operating on and over the highways of
7477 the State of Mississippi, are enumerated as and limited to the
7478 following, as determined by the Department of Revenue:

7479 (i) Warehouse and/or distribution centers;

7480 (ii) Manufacturing, processors and refineries;

7481 (iii) Research facilities;

7482 (iv) Corporate regional and national headquarters
7483 meeting minimum criteria established by the Mississippi
7484 Development Authority;

7485 (v) Movie industry studios meeting minimum
7486 criteria established by the Mississippi Development Authority;

7487 (vi) Air transportation and maintenance facilities
7488 meeting minimum criteria established by the Mississippi
7489 Development Authority;

7490 (vii) Recreational facilities that impact tourism
7491 meeting minimum criteria established by the Mississippi
7492 Development Authority;



7493 (viii) Data/information processing enterprises
7494 meeting minimum criteria established by the Mississippi
7495 Development Authority;

7496 (ix) Technology intensive enterprises or
7497 facilities meeting criteria established by the Mississippi
7498 Development Authority;

7499 (x) Data centers as defined in Section 57-113-21;
7500 and

7501 (xi) Telecommunications enterprises meeting
7502 minimum criteria established by the Mississippi Development
7503 Authority. The term "telecommunications enterprises" means
7504 entities engaged in the creation, display, management, storage,
7505 processing, transmission or distribution for compensation of
7506 images, text, voice, video or data by wire or by wireless means,
7507 or entities engaged in the construction, design, development,
7508 manufacture, maintenance or distribution for compensation of
7509 devices, products, software or structures used in the above
7510 activities. Companies organized to do business as commercial
7511 broadcast radio stations, television stations or news
7512 organizations primarily serving in-state markets shall not be
7513 included within the definition of the term "telecommunications
7514 enterprises."

7515 The new enterprises enumerated in this paragraph (a) do not
7516 include medical cannabis establishments as defined in the
7517 Mississippi Medical Cannabis Act.



(b) An exemption from ad valorem taxes granted under this section may include any or all tangible property, real or personal, including any leasehold interests therein but excluding automobiles and trucks operating on and over the highways of the State of Mississippi, used in connection with, or necessary to, the operation of an enterprise enumerated in paragraph (a) of this subsection (3), whether or not such property is owned, leased, subleased, licensed or otherwise obtained by such enterprise, irrespective of the taxpayer to which any such leased property is assessed for ad valorem tax purposes. If an exemption is granted pursuant to this section with respect to any leasehold interest under a lease, sublease or license of tangible property used in connection with, or necessary to, the operation of an enterprise enumerated in paragraph (a) of this subsection (3), the corresponding ownership interest of the owner, lessor and sublessor of such tangible property shall similarly and automatically be exempt without any action being required to be taken by such owner, lessor or sublessor.

(4) Any exemption from ad valorem taxes granted under this section before March 28, 2019, and consistent herewith, is hereby ratified, approved and confirmed.

SECTION 80. Section 27-31-104, Mississippi Code of 1972, is amended as follows:

[Through June 30, 2022, this section shall read as follows:]



7542 27-31-104. (1) (a) County boards of supervisors and
7543 municipal authorities are each hereby authorized and empowered to
7544 enter into an agreement with an enterprise granting, and pursuant
7545 to such agreement grant a fee-in-lieu of ad valorem taxes,
7546 including ad valorem taxes levied for school purposes, for the
7547 following:

7548 (ii) Projects totaling over Sixty Million Dollars
7549 (\$60,000,000.00) by any new enterprises enumerated in Section
7550 27-31-101;

7551 (ii) Projects by a private company (as such term
7552 is defined in Section 57-61-5) having a minimum capital investment
7553 of Sixty Million Dollars (\$60,000,000.00);

7554 (iii) Projects by a qualified business (as such
7555 term is defined in Section 57-117-3) meeting minimum criteria
7556 established by the Mississippi Development Authority;

7557 (iv) Projects, in addition to those projects
7558 referenced in Section 27-31-105, totaling over Sixty Million
7559 Dollars (\$60,000,000.00) by an existing enterprise that has been
7560 doing business in the county or municipality for twenty-four (24)
7561 months. For purposes of this subparagraph (iv), the term
7562 "existing enterprise" includes those enterprises enumerated in
7563 Section 27-31-101; or

7564 (v) A private company (as such term is defined in
7565 Section 57-61-5) having a minimum capital investment of One
7566 Hundred Million Dollars (\$100,000,000.00) from any source or



combination of sources, provided that a majority of the capital investment is from private sources, when such project is located within a geographic area for which a Presidential Disaster Declaration was issued on or after January 1, 2014.

County boards of supervisors and municipal authorities may not enter into an agreement with an enterprise that is a medical cannabis establishment, as defined in the Mississippi Medical Cannabis Act, granting, and pursuant to such agreement grant a fee-in-lieu of ad valorem taxes.

(b) A fee-in-lieu of ad valorem taxes granted in accordance with this section may include any or all tangible property, real or personal, including any leasehold interests therein but excluding automobiles and trucks operating on and over the highways of the State of Mississippi, used in connection with, or necessary to, the operation of any enterprise, private company or business described in paragraph (a) of this subsection (1), as applicable, whether or not such property is owned, leased, subleased, licensed or otherwise obtained by such enterprise, private company or business, as applicable, irrespective of the taxpayer to which any such leased property is assessed for ad valorem tax purposes. If a fee-in-lieu of ad valorem taxes is granted pursuant to this section with respect to any leasehold interest under a lease, sublease or license of tangible property used in connection with, or necessary to, the operation of an enterprise, private company or business described in paragraph (a)



of this subsection (1), as applicable, the corresponding ownership interest of the owner, lessor and sublessor of such tangible property shall similarly and automatically be exempt and subject to the fee-in-lieu granted in accordance herewith without any action being required to be taken by such owner, lessor or sublessor.

(2) A county board of supervisors may enter into a fee-in-lieu agreement on behalf of the county and any county school district, and a municipality may enter into such a fee-in-lieu agreement on behalf of the municipality and any municipal school district located in the municipality; however, if the project is located outside the limits of a municipality but within the boundaries of the municipal school district, then the county board of supervisors may enter into such a fee-in-lieu agreement on behalf of the school district granting a fee-in-lieu of ad valorem taxes for school district purposes.

(3) Any grant of a fee-in-lieu of ad valorem taxes shall be evidenced by a written agreement negotiated by the enterprise and the county board of supervisors and/or municipal authority, as the case may be, and given final approval by the Mississippi Development Authority as satisfying the requirements of this section.

(4) The minimum sum allowable as a fee-in-lieu shall not be less than one-third (1/3) of the ad valorem levy, including ad valorem taxes for school district purposes, and except as



7617 otherwise provided, the sum allowed shall be apportioned between
7618 the county or municipality, as appropriate, and the school
7619 districts in such amounts as may be determined by the county board
7620 of supervisors or municipal governing authority, as the case may
7621 be, however, except as otherwise provided in this section, from
7622 the sum allowed the apportionment to school districts shall not be
7623 less than the school districts' pro rata share based upon the
7624 proportion that the millage imposed for the school districts by
7625 the appropriate levying authority bears to the millage imposed by
7626 such levying authority for all other county or municipal purposes.
7627 Any fee-in-lieu agreement entered into under this section shall
7628 become a binding obligation of the parties to the agreement, be
7629 effective upon its execution by the parties and approval by the
7630 Mississippi Development Authority and, except as otherwise
7631 provided in Section 17-25-23 or Section 57-75-33, or any other
7632 provision of law, continue in effect for a period not to exceed
7633 thirty (30) years commencing on the date that the fee-in-lieu
7634 granted thereunder begins in accordance with the agreement;
7635 however, no particular parcel of land, real property improvement
7636 or item of personal property shall be subject to a fee-in-lieu for
7637 a duration of more than ten (10) years. Any such agreement shall
7638 be binding, according to its terms, on future boards of
7639 supervisors of the county and/or governing authorities of a
7640 municipality, as the case may be, for the duration of the
7641 agreement.



7642 (5) The fee-in-lieu may be a stated fraction or percentage
7643 of the ad valorem taxes otherwise payable or a stated dollar
7644 amount. If the fee is a fraction or percentage of the ad valorem
7645 tax levy, it shall be annually computed on all ad valorem taxes
7646 otherwise payable, including school taxes, as the same may vary
7647 from year to year based upon changes in the millage rate or
7648 assessed value and shall not be less than one-third (1/3) of that
7649 amount. If the fee is a stated dollar amount, said amount shall
7650 be the higher of the sum provided for fixed payment or one-third
7651 (1/3) of the total of all ad valorem taxes otherwise payable as
7652 annually determined during each year of the fee-in-lieu.

7653 (6) Notwithstanding Section 27-31-111, the parties to a
7654 fee-in-lieu may agree on terms and conditions providing for the
7655 reduction, suspension, termination or reinstatement of a
7656 fee-in-lieu agreement or any fee-in-lieu period granted thereunder
7657 upon the cessation of operations by project for twelve (12) or
7658 more consecutive months or due to other conditions set forth in
7659 the agreement.

7660 (7) For a project as defined in Section 57-75-5(f)(xxi) and
7661 located in a county that is a member of a regional economic
7662 development alliance created under Section 57-64-1 et seq., the
7663 members of the regional economic development alliance may divide
7664 the sum allowed as a fee-in-lieu in a manner as determined by the
7665 alliance agreement, and the boards of supervisors of the member



counties may then apportion the sum allowed between school district purposes and all other county purposes.

(8) For a project as defined in Section 57-75-5(f)(xxvi), the board of supervisors of the county in which the project is located may negotiate with the school district in which the project is located and apportion to the school district an amount of the fee-in-lieu that is agreed upon in the negotiations different than the amount provided for in subsection (3) of this section.

(9) For a project as defined in Section 57-75-5(f)(xxviii), the annual amount of the fee-in-lieu apportioned to the county shall not be less than the amount necessary to pay the debt service on bonds issued by the county pursuant to Section 57-75-37(3)(c).

(10) Any fee-in-lieu of ad valorem taxes granted under this section before the effective date of this act, and consistent herewith, is hereby ratified, approved and confirmed.

[From and after July 1, 2022, this section shall read as follows:]

27-31-104. (1) (a) County boards of supervisors and municipal authorities are each hereby authorized and empowered to enter into an agreement with an enterprise granting, and pursuant to such agreement grant a fee-in-lieu of ad valorem taxes, including ad valorem taxes levied for school purposes, for the following:



7691 (i) Projects totaling over Sixty Million Dollars
7692 (\$60,000,000.00) by any new enterprises enumerated in Section
7693 27-31-101;

7694 (ii) Projects by a private company (as such term
7695 is defined in Section 57-61-5, Mississippi Code of 1972) having a
7696 minimum capital investment of Sixty Million Dollars
7697 (\$60,000,000.00);

7698 (iii) Projects, in addition to those projects
7699 referenced in Section 27-31-105, totaling over Sixty Million
7700 Dollars (\$60,000,000.00) by an existing enterprise that has been
7701 doing business in the county or municipality for twenty-four (24)
7702 months. For purposes of this subparagraph (iii), the term
7703 "existing enterprise" includes those enterprises enumerated in
7704 Section 27-31-101; or

7705 (iv) A private company (as such term is defined in
7706 Section 57-61-5) having a minimum capital investment of One
7707 Hundred Million Dollars (\$100,000,000.00) from any source or
7708 combination of sources, provided that a majority of the capital
7709 investment is from private sources, when such project is located
7710 within a geographic area for which a Presidential Disaster
7711 Declaration was issued on or after January 1, 2014.

7712 County boards of supervisors and municipal authorities may
7713 not enter into an agreement with an enterprise that is a medical
7714 cannabis establishment, as defined in the Mississippi Medical



7715 Cannabis Act, granting, and pursuant to such agreement grant a
7716 fee-in-lieu of ad valorem taxes.

7717 (b) A fee-in-lieu of ad valorem taxes granted in
7718 accordance with this section may include any or all tangible
7719 property, real or personal, including any leasehold interests
7720 therein but excluding automobiles and trucks operating on and over
7721 the highways of the State of Mississippi, used in connection with,
7722 or necessary to, the operation of any enterprise, private company
7723 or business described in paragraph (a) of this subsection (1), as
7724 applicable, whether or not such property is owned, leased,
7725 subleased, licensed or otherwise obtained by such enterprise,
7726 private company or business, as applicable, irrespective of the
7727 taxpayer to which any such leased property is assessed for ad
7728 valorem tax purposes. If a fee-in-lieu of ad valorem taxes is
7729 granted pursuant to this section with respect to any leasehold
7730 interest under a lease, sublease or license of tangible property
7731 used in connection with, or necessary to, the operation of an
7732 enterprise, private company or business described in paragraph (a)
7733 of this subsection (1), as applicable, the corresponding ownership
7734 interest of the owner, lessor and sublessor of such tangible
7735 property shall similarly and automatically be exempt and subject
7736 to the fee-in-lieu granted in accordance herewith without any
7737 action being required to be taken by such owner, lessor or
7738 sublessor.



7739 (2) A county board of supervisors may enter into a
7740 fee-in-lieu agreement on behalf of the county and any county
7741 school district, and a municipality may enter into such a
7742 fee-in-lieu agreement on behalf of the municipality and any
7743 municipal school district located in the municipality; however, if
7744 the project is located outside the limits of a municipality but
7745 within the boundaries of the municipal school district, then the
7746 county board of supervisors may enter into such a fee-in-lieu
7747 agreement on behalf of the school district granting a fee-in-lieu
7748 of ad valorem taxes for school district purposes.

7749 (3) Any grant of a fee-in-lieu of ad valorem taxes shall be
7750 evidenced by a written agreement negotiated by the enterprise and
7751 the county board of supervisors and/or municipal authority, as the
7752 case may be, and given final approval by the Mississippi
7753 Development Authority as satisfying the requirements of this
7754 section.

7755 (4) The minimum sum allowable as a fee-in-lieu shall not be
7756 less than one-third (1/3) of the ad valorem levy, including ad
7757 valorem taxes for school district purposes, and except as
7758 otherwise provided, the sum allowed shall be apportioned between
7759 the county or municipality, as appropriate, and the school
7760 districts in such amounts as may be determined by the county board
7761 of supervisors or municipal governing authority, as the case may
7762 be, however, except as otherwise provided in this section, from
7763 the sum allowed the apportionment to school districts shall not be



7764 less than the school districts' pro rata share based upon the
7765 proportion that the millage imposed for the school districts by
7766 the appropriate levying authority bears to the millage imposed by
7767 such levying authority for all other county or municipal purposes.
7768 Any fee-in-lieu agreement entered into under this section shall
7769 become a binding obligation of the parties to the agreement, be
7770 effective upon its execution by the parties and approval by the
7771 Mississippi Development Authority and, except as otherwise
7772 provided in Section 17-25-23 or Section 57-75-33, or any other
7773 provision of law, continue in effect for a period not to exceed
7774 thirty (30) years commencing on the date that the fee-in-lieu
7775 granted thereunder begins in accordance with the agreement;
7776 however, no particular parcel of land, real property improvement
7777 or item of personal property shall be subject to a fee-in-lieu for
7778 a duration of more than ten (10) years. Any such agreement shall
7779 be binding, according to its terms, on future boards of
7780 supervisors of the county and/or governing authorities of a
7781 municipality, as the case may be, for the duration of the
7782 agreement.

7783 (5) The fee-in-lieu may be a stated fraction or percentage
7784 of the ad valorem taxes otherwise payable or a stated dollar
7785 amount. If the fee is a fraction or percentage of the ad valorem
7786 tax levy, it shall be annually computed on all ad valorem taxes
7787 otherwise payable, including school taxes, as the same may vary
7788 from year to year based upon changes in the millage rate or



7789 assessed value and shall not be less than one-third (1/3) of that
7790 amount. If the fee is a stated dollar amount, said amount shall
7791 be the higher of the sum provided for fixed payment or one-third
7792 (1/3) of the total of all ad valorem taxes otherwise payable as
7793 annually determined during each year of the fee-in-lieu.

7794 (6) Notwithstanding Section 27-31-111, the parties to a
7795 fee-in-lieu may agree on terms and conditions providing for the
7796 reduction, suspension, termination or reinstatement of a
7797 fee-in-lieu agreement or any fee-in-lieu period granted thereunder
7798 upon the cessation of operations by project for twelve (12) or
7799 more consecutive months or due to other conditions set forth in
7800 the agreement.

7801 (7) For a project as defined in Section 57-75-5(f)(xxi) and
7802 located in a county that is a member of a regional economic
7803 development alliance created under Section 57-64-1 et seq., the
7804 members of the regional economic development alliance may divide
7805 the sum allowed as a fee-in-lieu in a manner as determined by the
7806 alliance agreement, and the boards of supervisors of the member
7807 counties may then apportion the sum allowed between school
7808 district purposes and all other county purposes.

7809 (8) For a project as defined in Section 57-75-5(f)(xxvi),
7810 the board of supervisors of the county in which the project is
7811 located may negotiate with the school district in which the
7812 project is located and apportion to the school district an amount
7813 of the fee-in-lieu that is agreed upon in the negotiations



7814 different than the amount provided for in subsection (3) of this
7815 section.

7816 (9) For a project as defined in Section 57-75-5(f)(xxviii),
7817 the annual amount of the fee-in-lieu apportioned to the county
7818 shall not be less than the amount necessary to pay the annual debt
7819 service on bonds issued by the county pursuant to Section
7820 57-75-37(3)(c).

7821 (10) Any fee-in-lieu of ad valorem taxes granted under this
7822 section before the effective date of this act, and consistent
7823 herewith, is hereby ratified, approved and confirmed.

7824 **SECTION 81.** Section 27-65-17, Mississippi Code of 1972, is
7825 amended as follows:

7826 27-65-17. (1) (a) Except as otherwise provided in this
7827 section, upon every person engaging or continuing within this
7828 state in the business of selling any tangible personal property
7829 whatsoever there is hereby levied, assessed and shall be collected
7830 a tax equal to seven percent (7%) of the gross proceeds of the
7831 retail sales of the business.

7832 (b) Retail sales of farm tractors and parts and labor
7833 used to maintain and/or repair such tractors shall be taxed at the
7834 rate of one and one-half percent (1-1/2%) when made to farmers for
7835 agricultural purposes.

7836 (c) (i) Retail sales of farm implements sold to
7837 farmers and used directly in the production of poultry, ratite,
7838 domesticated fish as defined in Section 69-7-501, livestock,



7839 livestock products, agricultural crops or ornamental plant crops
7840 or used for other agricultural purposes, and parts and labor used
7841 to maintain and/or repair such implements, shall be taxed at the
7842 rate of one and one-half percent (1-1/2%) when used on the farm.

7843 (ii) The one and one-half percent (1-1/2%) rate
7844 shall also apply to all equipment used in logging, pulpwood
7845 operations or tree farming, and parts and labor used to maintain
7846 and/or repair such equipment, which is either:

- 7847 1. Self-propelled, or
7848 2. Mounted so that it is permanently attached
7849 to other equipment which is self-propelled or attached to other
7850 equipment drawn by a vehicle which is self-propelled.

7851 In order to be eligible for the rate of tax provided for in
7852 this subparagraph (ii), such sales must be made to a professional
7853 logger. For the purposes of this subparagraph (ii), a
7854 "professional logger" is a person, corporation, limited liability
7855 company or other entity, or an agent thereof, who possesses a
7856 professional logger's permit issued by the Department of Revenue
7857 and who presents the permit to the seller at the time of purchase.
7858 The department shall establish an application process for a
7859 professional logger's permit to be issued, which shall include a
7860 requirement that the applicant submit a copy of documentation
7861 verifying that the applicant is certified according to Sustainable
7862 Forestry Initiative guidelines. Upon a determination that an



7863 applicant is a professional logger, the department shall issue the
7864 applicant a numbered professional logger's permit.

7865 (d) Except as otherwise provided in subsection (3) of
7866 this section, retail sales of aircraft, automobiles, trucks,
7867 truck-tractors, semitrailers and manufactured or mobile homes
7868 shall be taxed at the rate of three percent (3%).

7869 (e) Sales of manufacturing machinery or manufacturing
7870 machine parts when made to a manufacturer or custom processor for
7871 plant use only when the machinery and machine parts will be used
7872 exclusively and directly within this state in manufacturing a
7873 commodity for sale, rental or in processing for a fee shall be
7874 taxed at the rate of one and one-half percent (1-1/2%).

7875 (f) Sales of machinery and machine parts when made to a
7876 technology intensive enterprise for plant use only when the
7877 machinery and machine parts will be used exclusively and directly
7878 within this state for industrial purposes, including, but not
7879 limited to, manufacturing or research and development activities,
7880 shall be taxed at the rate of one and one-half percent (1-1/2%).
7881 In order to be considered a technology intensive enterprise for
7882 purposes of this paragraph:

7883 (i) The enterprise shall meet minimum criteria
7884 established by the Mississippi Development Authority;

7885 (ii) The enterprise shall employ at least ten (10)
7886 persons in full-time jobs;



7887 (iii) At least ten percent (10%) of the workforce
7888 in the facility operated by the enterprise shall be scientists,
7889 engineers or computer specialists;

7890 (iv) The enterprise shall manufacture plastics,
7891 chemicals, automobiles, aircraft, computers or electronics; or
7892 shall be a research and development facility, a computer design or
7893 related facility, or a software publishing facility or other
7894 technology intensive facility or enterprise as determined by the
7895 Mississippi Development Authority;

7896 (v) The average wage of all workers employed by
7897 the enterprise at the facility shall be at least one hundred fifty
7898 percent (150%) of the state average annual wage; and

7899 (vi) The enterprise must provide a basic health
7900 care plan to all employees at the facility.

7901 A medical cannabis establishment, as defined in the
7902 Mississippi Medical Cannabis Act, shall not be considered to be a
7903 technology intensive enterprise for the purposes of this paragraph
7904 (f).

7905 (g) Sales of materials for use in track and track
7906 structures to a railroad whose rates are fixed by the Interstate
7907 Commerce Commission or the Mississippi Public Service Commission
7908 shall be taxed at the rate of three percent (3%).

7909 (h) Sales of tangible personal property to electric
7910 power associations for use in the ordinary and necessary operation



7911 of their generating or distribution systems shall be taxed at the
7912 rate of one percent (1%).

7913 (i) Wholesale sales of beer shall be taxed at the rate
7914 of seven percent (7%), and the retailer shall file a return and
7915 compute the retail tax on retail sales but may take credit for the
7916 amount of the tax paid to the wholesaler on said return covering
7917 the subsequent sales of same property, provided adequate invoices
7918 and records are maintained to substantiate the credit.

7919 (j) Wholesale sales of food and drink for human
7920 consumption to full-service vending machine operators to be sold
7921 through vending machines located apart from and not connected with
7922 other taxable businesses shall be taxed at the rate of eight
7923 percent (8%).

7924 (k) Sales of equipment used or designed for the purpose
7925 of assisting disabled persons, such as wheelchair equipment and
7926 lifts, that is mounted or attached to or installed on a private
7927 carrier of passengers or light carrier of property, as defined in
7928 Section 27-51-101, at the time when the private carrier of
7929 passengers or light carrier of property is sold shall be taxed at
7930 the same rate as the sale of such vehicles under this section.

7931 (l) Sales of the factory-built components of modular
7932 homes, panelized homes and precut homes, and panel constructed
7933 homes consisting of structural insulated panels, shall be taxed at
7934 the rate of three percent (3%).



(m) Sales of materials used in the repair, renovation, addition to, expansion and/or improvement of buildings and related facilities used by a dairy producer shall be taxed at the rate of three and one-half percent (3-1/2%). For the purposes of this paragraph (m), "dairy producer" means any person engaged in the production of milk for commercial use.

(2) From and after January 1, 1995, retail sales of private carriers of passengers and light carriers of property, as defined in Section 27-51-101, shall be taxed an additional two percent (2%).

(3) A manufacturer selling at retail in this state shall be required to make returns of the gross proceeds of such sales and pay the tax imposed in this section.

SECTION 82. Section 27-65-101, Mississippi Code of 1972, is amended as follows:

27-65-101. (1) The exemptions from the provisions of this chapter which are of an industrial nature or which are more properly classified as industrial exemptions than any other exemption classification of this chapter shall be confined to those persons or property exempted by this section or by the provisions of the Constitution of the United States or the State of Mississippi. No industrial exemption as now provided by any other section except Section 57-3-33 shall be valid as against the tax herein levied. Any subsequent industrial exemption from the tax levied hereunder shall be provided by amendment to this



7960 section. No exemption provided in this section shall apply to
7961 taxes levied by Section 27-65-15 or 27-65-21.

7962 The tax levied by this chapter shall not apply to the
7963 following:

7964 (a) Sales of boxes, crates, cartons, cans, bottles and
7965 other packaging materials to manufacturers and wholesalers for use
7966 as containers or shipping materials to accompany goods sold by
7967 said manufacturers or wholesalers where possession thereof will
7968 pass to the customer at the time of sale of the goods contained
7969 therein and sales to anyone of containers or shipping materials
7970 for use in ships engaged in international commerce.

7971 (b) Sales of raw materials, catalysts, processing
7972 chemicals, welding gases or other industrial processing gases
7973 (except natural gas) to a manufacturer for use directly in
7974 manufacturing or processing a product for sale or rental or
7975 repairing or reconditioning vessels or barges of fifty (50) tons
7976 load displacement and over. For the purposes of this exemption,
7977 electricity used directly in the electrolysis process in the
7978 production of sodium chlorate shall be considered a raw material.
7979 This exemption shall not apply to any property used as fuel except
7980 to the extent that such fuel comprises by-products which have no
7981 market value.

7982 (c) The gross proceeds of sales of dry docks, offshore
7983 drilling equipment for use in oil or natural gas exploration or
7984 production, vessels or barges of fifty (50) tons load displacement



7985 and over, when the vessels or barges are sold by the manufacturer
7986 or builder thereof. In addition to other types of equipment,
7987 offshore drilling equipment for use in oil or natural gas
7988 exploration or production shall include aircraft used
7989 predominately to transport passengers or property to or from
7990 offshore oil or natural gas exploration or production platforms or
7991 vessels, and engines, accessories and spare parts for such
7992 aircraft.

7993 (d) Sales to commercial fishermen of commercial fishing
7994 boats of over five (5) tons load displacement and not more than
7995 fifty (50) tons load displacement as registered with the United
7996 States Coast Guard and licensed by the Mississippi Commission on
7997 Marine Resources.

7998 (e) The gross income from repairs to vessels and barges
7999 engaged in foreign trade or interstate transportation.

8000 (f) Sales of petroleum products to vessels or barges
8001 for consumption in marine international commerce or interstate
8002 transportation businesses.

8003 (g) Sales and rentals of rail rolling stock (and
8004 component parts thereof) for ultimate use in interstate commerce
8005 and gross income from services with respect to manufacturing,
8006 repairing, cleaning, altering, reconditioning or improving such
8007 rail rolling stock (and component parts thereof).

8008 (h) Sales of raw materials, catalysts, processing
8009 chemicals, welding gases or other industrial processing gases



8010 (except natural gas) used or consumed directly in manufacturing,
8011 repairing, cleaning, altering, reconditioning or improving such
8012 rail rolling stock (and component parts thereof). This exemption
8013 shall not apply to any property used as fuel.

8014 (i) Sales of machinery or tools or repair parts
8015 therefor or replacements thereof, fuel or supplies used directly
8016 in manufacturing, converting or repairing ships, vessels or barges
8017 of three thousand (3,000) tons load displacement and over, but not
8018 to include office and plant supplies or other equipment not
8019 directly used on the ship, vessel or barge being built, converted
8020 or repaired. For purposes of this exemption, "ships, vessels or
8021 barges" shall not include floating structures described in Section
8022 27-65-18.

8023 (j) Sales of tangible personal property to persons
8024 operating ships in international commerce for use or consumption
8025 on board such ships. This exemption shall be limited to cases in
8026 which procedures satisfactory to the commissioner, ensuring
8027 against use in this state other than on such ships, are
8028 established.

8029 (k) Sales of materials used in the construction of a
8030 building, or any addition or improvement thereon, and sales of any
8031 machinery and equipment not later than three (3) months after the
8032 completion of construction of the building, or any addition
8033 thereon, to be used therein, to qualified businesses, as defined
8034 in Section 57-51-5, which are located in a county or portion



8035 thereof designated as an enterprise zone pursuant to Sections
8036 57-51-1 through 57-51-15.

8037 (1) Sales of materials used in the construction of a
8038 building, or any addition or improvement thereon, and sales of any
8039 machinery and equipment not later than three (3) months after the
8040 completion of construction of the building, or any addition
8041 thereon, to be used therein, to qualified businesses, as defined
8042 in Section 57-54-5.

8043 (m) Income from storage and handling of perishable
8044 goods by a public storage warehouse.

8045 (n) The value of natural gas lawfully injected into the
8046 earth for cycling, repressuring or lifting of oil, or lawfully
8047 vented or flared in connection with the production of oil;
8048 however, if any gas so injected into the earth is sold for such
8049 purposes, then the gas so sold shall not be exempt.

8050 (o) The gross collections from self-service commercial
8051 laundering, drying, cleaning and pressing equipment.

8052 (p) Sales of materials used in the construction of a
8053 building, or any addition or improvement thereon, and sales of any
8054 machinery and equipment not later than three (3) months after the
8055 completion of construction of the building, or any addition
8056 thereon, to be used therein, to qualified companies, certified as
8057 such by the Mississippi Development Authority under Section
8058 57-53-1.



8059 (q) Sales of component materials used in the
8060 construction of a building, or any addition or improvement
8061 thereon, sales of machinery and equipment to be used therein, and
8062 sales of manufacturing or processing machinery and equipment which
8063 is permanently attached to the ground or to a permanent foundation
8064 and which is not by its nature intended to be housed within a
8065 building structure, not later than three (3) months after the
8066 initial start-up date, to permanent business enterprises engaging
8067 in manufacturing or processing in Tier Three areas (as such term
8068 is defined in Section 57-73-21), which businesses are certified by
8069 the Department of Revenue as being eligible for the exemption
8070 granted in this paragraph (q). The exemption provided in this
8071 paragraph (q) shall not apply to sales to any business enterprise
8072 that is a medical cannabis establishment as defined in the
8073 Mississippi Medical Cannabis Act.

8074 (r) (i) Sales of component materials used in the
8075 construction of a building, or any addition or improvement
8076 thereon, and sales of any machinery and equipment not later than
8077 three (3) months after the completion of the building, addition or
8078 improvement thereon, to be used therein, for any company
8079 establishing or transferring its national or regional headquarters
8080 from within or outside the State of Mississippi and creating a
8081 minimum of twenty (20) jobs at the new headquarters in this state.
8082 The exemption provided in this subparagraph (i) shall not apply to
8083 sales for any company that is a medical cannabis establishment as



8084 defined in the Mississippi Medical Cannabis Act. The Department
8085 of Revenue shall establish criteria and prescribe procedures to
8086 determine if a company qualifies as a national or regional
8087 headquarters for the purpose of receiving the exemption provided
8088 in this subparagraph (i).

8089 (ii) Sales of component materials used in the
8090 construction of a building, or any addition or improvement
8091 thereon, and sales of any machinery and equipment not later than
8092 three (3) months after the completion of the building, addition or
8093 improvement thereon, to be used therein, for any company expanding
8094 or making additions after January 1, 2013, to its national or
8095 regional headquarters within the State of Mississippi and creating
8096 a minimum of twenty (20) new jobs at the headquarters as a result
8097 of the expansion or additions. The exemption provided in this
8098 subparagraph (ii) shall not apply to sales for any company that is
8099 a medical cannabis establishment as defined in the Mississippi
8100 Medical Cannabis Act. The Department of Revenue shall establish
8101 criteria and prescribe procedures to determine if a company
8102 qualifies as a national or regional headquarters for the purpose
8103 of receiving the exemption provided in this subparagraph (ii).

8104 (s) The gross proceeds from the sale of semitrailers,
8105 trailers, boats, travel trailers, motorcycles, all-terrain cycles
8106 and rotary-wing aircraft if exported from this state within
8107 forty-eight (48) hours and registered and first used in another
8108 state.



8109 (t) Gross income from the storage and handling of
8110 natural gas in underground salt domes and in other underground
8111 reservoirs, caverns, structures and formations suitable for such
8112 storage.

8113 (u) Sales of machinery and equipment to nonprofit
8114 organizations if the organization:

8115 (i) Is tax exempt pursuant to Section 501(c)(4) of
8116 the Internal Revenue Code of 1986, as amended;

8117 (ii) Assists in the implementation of the
8118 contingency plan or area contingency plan, and which is created in
8119 response to the requirements of Title IV, Subtitle B of the Oil
8120 Pollution Act of 1990, Public Law 101-380; and

8121 (iii) Engages primarily in programs to contain,
8122 clean up and otherwise mitigate spills of oil or other substances
8123 occurring in the United States coastal and tidal waters.

8124 For purposes of this exemption, "machinery and equipment"
8125 means any ocean-going vessels, barges, booms, skimmers and other
8126 capital equipment used primarily in the operations of nonprofit
8127 organizations referred to herein.

8128 (v) Sales or leases of materials and equipment to
8129 approved business enterprises as provided under the Growth and
8130 Prosperity Act.

8131 (w) From and after July 1, 2001, sales of pollution
8132 control equipment to manufacturers or custom processors for
8133 industrial use. For the purposes of this exemption, "pollution



8134 control equipment" means equipment, devices, machinery or systems
8135 used or acquired to prevent, control, monitor or reduce air, water
8136 or groundwater pollution, or solid or hazardous waste as required
8137 by federal or state law or regulation.

8138 (x) Sales or leases to a manufacturer of motor vehicles
8139 or powertrain components operating a project that has been
8140 certified by the Mississippi Major Economic Impact Authority as a
8141 project as defined in Section 57-75-5(f)(iv)1, Section
8142 57-75-5(f)(xxi) or Section 57-75-5(f)(xxii) of machinery and
8143 equipment; special tooling such as dies, molds, jigs and similar
8144 items treated as special tooling for federal income tax purposes;
8145 or repair parts therefor or replacements thereof; repair services
8146 thereon; fuel, supplies, electricity, coal and natural gas used
8147 directly in the manufacture of motor vehicles or motor vehicle
8148 parts or used to provide climate control for manufacturing areas.

8149 (y) Sales or leases of component materials, machinery
8150 and equipment used in the construction of a building, or any
8151 addition or improvement thereon to an enterprise operating a
8152 project that has been certified by the Mississippi Major Economic
8153 Impact Authority as a project as defined in Section
8154 57-75-5(f)(iv)1, Section 57-75-5(f)(xxi), Section 57-75-5(f)(xxii)
8155 or Section 57-75-5(f)(xxviii) and any other sales or leases
8156 required to establish or operate such project.

8157 (z) Sales of component materials and equipment to a
8158 business enterprise as provided under Section 57-64-33.



8159 (aa) The gross income from the stripping and painting
8160 of commercial aircraft engaged in foreign or interstate
8161 transportation business.

8162 (bb) [Repealed]

8163 (cc) Sales or leases to an enterprise owning or
8164 operating a project that has been designated by the Mississippi
8165 Major Economic Impact Authority as a project as defined in Section
8166 57-75-5(f)(xviii) of machinery and equipment; special tooling such
8167 as dies, molds, jigs and similar items treated as special tooling
8168 for federal income tax purposes; or repair parts therefor or
8169 replacements thereof; repair services thereon; fuel, supplies,
8170 electricity, coal and natural gas used directly in the
8171 manufacturing/production operations of the project or used to
8172 provide climate control for manufacturing/production areas.

8173 (dd) Sales or leases of component materials, machinery
8174 and equipment used in the construction of a building, or any
8175 addition or improvement thereon to an enterprise owning or
8176 operating a project that has been designated by the Mississippi
8177 Major Economic Impact Authority as a project as defined in Section
8178 57-75-5(f)(xviii) and any other sales or leases required to
8179 establish or operate such project.

8180 (ee) Sales of parts used in the repair and servicing of
8181 aircraft not registered in Mississippi engaged exclusively in the
8182 business of foreign or interstate transportation to businesses
8183 engaged in aircraft repair and maintenance.



8184 (ff) Sales of component materials used in the
8185 construction of a facility, or any addition or improvement
8186 thereon, and sales or leases of machinery and equipment not later
8187 than three (3) months after the completion of construction of the
8188 facility, or any addition or improvement thereto, to be used in
8189 the building or any addition or improvement thereto, to a
8190 permanent business enterprise operating a data/information
8191 enterprise in Tier Three areas (as such areas are designated in
8192 accordance with Section 57-73-21), meeting minimum criteria
8193 established by the Mississippi Development Authority. The
8194 exemption provided in this paragraph (ff) shall not apply to sales
8195 to any business enterprise that is a medical cannabis
8196 establishment as defined in the Mississippi Medical Cannabis Act.

8197 (gg) Sales of component materials used in the
8198 construction of a facility, or any addition or improvement
8199 thereto, and sales of machinery and equipment not later than three
8200 (3) months after the completion of construction of the facility,
8201 or any addition or improvement thereto, to be used in the facility
8202 or any addition or improvement thereto, to technology intensive
8203 enterprises for industrial purposes in Tier Three areas (as such
8204 areas are designated in accordance with Section 57-73-21), as
8205 certified by the Department of Revenue. For purposes of this
8206 paragraph, an enterprise must meet the criteria provided for in
8207 Section 27-65-17(1)(f) in order to be considered a technology
8208 intensive enterprise.



8209 (hh) Sales of component materials used in the
8210 replacement, reconstruction or repair of a building or facility
8211 that has been destroyed or sustained extensive damage as a result
8212 of a disaster declared by the Governor, sales of machinery and
8213 equipment to be used therein to replace machinery or equipment
8214 damaged or destroyed as a result of such disaster, including, but
8215 not limited to, manufacturing or processing machinery and
8216 equipment which is permanently attached to the ground or to a
8217 permanent foundation and which is not by its nature intended to be
8218 housed within a building structure, to enterprises or companies
8219 that were eligible for the exemptions authorized in paragraph (q),
8220 (r), (ff) or (gg) of this subsection during initial construction
8221 of the building that was destroyed or damaged, which enterprises
8222 or companies are certified by the Department of Revenue as being
8223 eligible for the exemption granted in this paragraph.

8224 (ii) Sales of software or software services transmitted
8225 by the Internet to a destination outside the State of Mississippi
8226 where the first use of such software or software services by the
8227 purchaser occurs outside the State of Mississippi.

8228 (jj) Gross income of public storage warehouses derived
8229 from the temporary storage of raw materials that are to be used in
8230 an eligible facility as defined in Section 27-7-22.35.

8231 (kk) Sales of component building materials and
8232 equipment for initial construction of facilities or expansion of



8233 facilities as authorized under Sections 57-113-1 through 57-113-7
8234 and Sections 57-113-21 through 57-113-27.

8235 (ll) Sales and leases of machinery and equipment
8236 acquired in the initial construction to establish facilities as
8237 authorized in Sections 57-113-1 through 57-113-7.

8238 (mm) Sales and leases of replacement hardware, software
8239 or other necessary technology to operate a data center as
8240 authorized under Sections 57-113-21 through 57-113-27.

8241 (nn) Sales of component materials used in the
8242 construction of a building, or any addition or improvement
8243 thereon, and sales or leases of machinery and equipment not later
8244 than three (3) months after the completion of the construction of
8245 the facility, to be used in the facility, to permanent business
8246 enterprises operating a facility producing renewable crude oil
8247 from biomass harvested or produced, in whole or in part, in
8248 Mississippi, which businesses meet minimum criteria established by
8249 the Mississippi Development Authority. As used in this paragraph,
8250 the term "biomass" shall have the meaning ascribed to such term in
8251 Section 57-113-1.

8252 (oo) Sales of supplies, equipment and other personal
8253 property to an organization that is exempt from taxation under
8254 Section 501(c)(3) of the Internal Revenue Code and is the host
8255 organization coordinating a professional golf tournament played or
8256 to be played in this state and the supplies, equipment or other



8257 personal property will be used for purposes related to the golf
8258 tournament and related activities.

8259 (pp) Sales of materials used in the construction of a
8260 health care industry facility, as defined in Section 57-117-3, or
8261 any addition or improvement thereon, and sales of any machinery
8262 and equipment not later than three (3) months after the completion
8263 of construction of the facility, or any addition thereon, to be
8264 used therein, to qualified businesses, as defined in Section
8265 57-117-3. This paragraph shall be repealed from and after July 1,
8266 2022.

8267 (qq) Sales or leases to a manufacturer of automotive
8268 parts operating a project that has been certified by the
8269 Mississippi Major Economic Impact Authority as a project as
8270 defined in Section 57-75-5(f) (xxviii) of machinery and equipment;
8271 or repair parts therefor or replacements thereof; repair services
8272 thereon; fuel, supplies, electricity, coal, nitrogen and natural
8273 gas used directly in the manufacture of automotive parts or used
8274 to provide climate control for manufacturing areas.

8275 (rr) Gross collections derived from guided tours on any
8276 navigable waters of this state, which include providing
8277 accommodations, guide services and/or related equipment operated
8278 by or under the direction of the person providing the tour, for
8279 the purposes of outdoor tourism. The exemption provided in this
8280 paragraph (rr) does not apply to the sale of tangible personal
8281 property by a person providing such tours.



8282 (ss) Retail sales of truck-tractors and semitrailers
8283 used in interstate commerce and registered under the International
8284 Registration Plan (IRP) or any similar reciprocity agreement or
8285 compact relating to the proportional registration of commercial
8286 vehicles entered into as provided for in Section 27-19-143.

8287 (tt) Sales exempt under the Facilitating Business Rapid
8288 Response to State Declared Disasters Act of 2015 (Sections
8289 27-113-1 through 27-113-9).

8290 (uu) Sales or leases to an enterprise and its
8291 affiliates operating a project that has been certified by the
8292 Mississippi Major Economic Impact Authority as a project as
8293 defined in Section 57-75-5(f)(xxix) of:

8294 (i) All personal property and fixtures, including
8295 without limitation, sales or leases to the enterprise and its
8296 affiliates of:

8297 1. Manufacturing machinery and equipment;

8298 2. Special tooling such as dies, molds, jigs
8299 and similar items treated as special tooling for federal income
8300 tax purposes;

8301 3. Component building materials, machinery
8302 and equipment used in the construction of buildings, and any other
8303 additions or improvements to the project site for the project;

8304 4. Nonmanufacturing furniture, fixtures and
8305 equipment (inclusive of all communications, computer, server,
8306 software and other hardware equipment); and



8307 5. Fuel, supplies (other than
8308 nonmanufacturing consumable supplies and water), electricity,
8309 nitrogen gas and natural gas used directly in the
8310 manufacturing/production operations of such project or used to
8311 provide climate control for manufacturing/production areas of such
8312 project;

8313 (ii) All replacements of, repair parts for or
8314 services to repair items described in subparagraph (i)1, 2 and 3
8315 of this paragraph; and

8316 (iii) All services taxable pursuant to Section
8317 27-65-23 required to establish, support, operate, repair and/or
8318 maintain such project.

8319 (vv) Sales or leases to an enterprise operating a
8320 project that has been certified by the Mississippi Major Economic
8321 Impact Authority as a project as defined in Section
8322 57-75-5(f) (xxx) of:

8323 (i) Purchases required to establish and operate
8324 the project, including, but not limited to, sales of component
8325 building materials, machinery and equipment required to establish
8326 the project facility and any additions or improvements thereon;
8327 and

8328 (ii) Machinery, special tools (such as dies,
8329 molds, and jigs) or repair parts thereof, or replacements and
8330 lease thereof, repair services thereon, fuel, supplies and
8331 electricity, coal and natural gas used in the manufacturing



8332 process and purchased by the enterprise owning or operating the
8333 project for the benefit of the project.

8334 (ww) Sales of component materials used in the
8335 construction of a building, or any expansion or improvement
8336 thereon, sales of machinery and/or equipment to be used therein,
8337 and sales of processing machinery and equipment which is
8338 permanently attached to the ground or to a permanent foundation
8339 which is not by its nature intended to be housed in a building
8340 structure, no later than three (3) months after initial startup,
8341 expansion or improvement of a permanent enterprise solely engaged
8342 in the conversion of natural sand into proppants used in oil and
8343 gas exploration and development with at least ninety-five percent
8344 (95%) of such proppants used in the production of oil and/or gas
8345 from horizontally drilled wells and/or horizontally drilled
8346 recompletion wells as defined in Sections 27-25-501 and 27-25-701.

8347 (2) Sales of component materials used in the construction of
8348 a building, or any addition or improvement thereon, sales of
8349 machinery and equipment to be used therein, and sales of
8350 manufacturing or processing machinery and equipment which is
8351 permanently attached to the ground or to a permanent foundation
8352 and which is not by its nature intended to be housed within a
8353 building structure, not later than three (3) months after the
8354 initial start-up date, to permanent business enterprises engaging
8355 in manufacturing or processing in Tier Two areas and Tier One
8356 areas (as such areas are designated in accordance with Section



57-73-21), which businesses are certified by the Department of Revenue as being eligible for the exemption granted in this subsection, shall be exempt from one-half (1/2) of the taxes imposed on such transactions under this chapter. The exemption provided in this subsection (2) shall not apply to sales to any business enterprise that is a medical cannabis establishment as defined in the Mississippi Medical Cannabis Act.

(3) Sales of component materials used in the construction of a facility, or any addition or improvement thereon, and sales or leases of machinery and equipment not later than three (3) months after the completion of construction of the facility, or any addition or improvement thereto, to be used in the building or any addition or improvement thereto, to a permanent business enterprise operating a data/information enterprise in Tier Two areas and Tier One areas (as such areas are designated in accordance with Section 57-73-21), which businesses meet minimum criteria established by the Mississippi Development Authority, shall be exempt from one-half (1/2) of the taxes imposed on such transaction under this chapter. The exemption provided in this subsection (3) shall not apply to sales to any business enterprise that is a medical cannabis establishment as defined in the Mississippi Medical Cannabis Act.

(4) Sales of component materials used in the construction of a facility, or any addition or improvement thereto, and sales of machinery and equipment not later than three (3) months after the



8382 completion of construction of the facility, or any addition or
8383 improvement thereto, to be used in the building or any addition or
8384 improvement thereto, to technology intensive enterprises for
8385 industrial purposes in Tier Two areas and Tier One areas (as such
8386 areas are designated in accordance with Section 57-73-21), which
8387 businesses are certified by the Department of Revenue as being
8388 eligible for the exemption granted in this subsection, shall be
8389 exempt from one-half (1/2) of the taxes imposed on such
8390 transactions under this chapter. For purposes of this subsection,
8391 an enterprise must meet the criteria provided for in Section
8392 27-65-17(1)(f) in order to be considered a technology intensive
8393 enterprise.

8394 (5) (a) For purposes of this subsection:

8395 (i) "Telecommunications enterprises" shall have
8396 the meaning ascribed to such term in Section 57-73-21;

8397 (ii) "Tier One areas" mean counties designated as
8398 Tier One areas pursuant to Section 57-73-21;

8399 (iii) "Tier Two areas" mean counties designated as
8400 Tier Two areas pursuant to Section 57-73-21;

8401 (iv) "Tier Three areas" mean counties designated
8402 as Tier Three areas pursuant to Section 57-73-21; and

8403 (v) "Equipment used in the deployment of broadband
8404 technologies" means any equipment capable of being used for or in
8405 connection with the transmission of information at a rate, prior
8406 to taking into account the effects of any signal degradation, that



8407 is not less than three hundred eighty-four (384) kilobits per
8408 second in at least one (1) direction, including, but not limited
8409 to, asynchronous transfer mode switches, digital subscriber line
8410 access multiplexers, routers, servers, multiplexers, fiber optics
8411 and related equipment.

8412 (b) Sales of equipment to telecommunications
8413 enterprises after June 30, 2003, and before July 1, 2025, that is
8414 installed in Tier One areas and used in the deployment of
8415 broadband technologies shall be exempt from one-half (1/2) of the
8416 taxes imposed on such transactions under this chapter.

8417 (c) Sales of equipment to telecommunications
8418 enterprises after June 30, 2003, and before July 1, 2025, that is
8419 installed in Tier Two and Tier Three areas and used in the
8420 deployment of broadband technologies shall be exempt from the
8421 taxes imposed on such transactions under this chapter.

8422 (6) Sales of component materials used in the replacement,
8423 reconstruction or repair of a building that has been destroyed or
8424 sustained extensive damage as a result of a disaster declared by
8425 the Governor, sales of machinery and equipment to be used therein
8426 to replace machinery or equipment damaged or destroyed as a result
8427 of such disaster, including, but not limited to, manufacturing or
8428 processing machinery and equipment which is permanently attached
8429 to the ground or to a permanent foundation and which is not by its
8430 nature intended to be housed within a building structure, to
8431 enterprises that were eligible for the partial exemptions provided



for in subsections (2), (3) and (4) of this section during initial construction of the building that was destroyed or damaged, which enterprises are certified by the Department of Revenue as being eligible for the partial exemption granted in this subsection, shall be exempt from one-half (1/2) of the taxes imposed on such transactions under this chapter.

SECTION 83. Section 37-148-3, Mississippi Code of 1972, is amended as follows:

37-148-3. As used in this chapter, the following words and phrases have the meanings ascribed in this section unless the context clearly indicates otherwise:

(a) "College" means the state institutions of higher learning in Mississippi which are accredited by the Southern Association of Colleges and Schools.

(b) "Investor" means a natural person, partnership, limited liability company, association, corporation, business trust or other business entity, not formed for the specific purpose of acquiring the rebate offered, which is subject to Mississippi income tax. The term "investor" does not include any medical cannabis establishment as defined in the Mississippi Medical Cannabis Act.

(c) "Qualified research" means the systematic investigative process that is undertaken for the purpose of discovering information. The term "qualified research" does not include research conducted outside the State of Mississippi or



8457 research expenses that are already being funded by any grant,
8458 contract or otherwise by another person or governmental entity.

8459 (d) "Research agreement" means a written contract,
8460 grant or cooperative agreement entered into between a person and a
8461 college or research corporation for the performance of qualified
8462 research. All qualified research costs generating a SMART
8463 Business Rebate must be spent by the college or research
8464 corporation on qualified research undertaken according to a
8465 research agreement.

8466 (e) "Research corporation" means any research
8467 corporation formed under Section 37-147-15 if the corporation is
8468 wholly owned by or affiliated with a college and all income and
8469 profits of the corporation inure to the benefit of the college.

8470 (f) "Qualified research costs" means costs paid or
8471 incurred by an investor to a college or research corporation for
8472 qualified research undertaken according to a research agreement.

8473 (g) "State" means the State of Mississippi or a
8474 governmental entity of the State of Mississippi.

8475 (h) "IHL" means the Board of Trustees of State
8476 Institutions of Higher Learning in Mississippi.

8477 (i) "SMART Business" means Strengthening Mississippi
8478 Academic Research Through Business.

8479 (j) "Applicant" means a college or research corporation
8480 applying for SMART Business Accelerate Initiative funds to develop
8481 state-owned intellectual property into products and services.



8482 (k) "Qualified validation expense" includes, but is not
8483 limited to, services that accelerate the development of early
8484 product concepts, conducting proof-of-concept studies, and
8485 manufacturing prototypes to perform research validation.

8486 Qualified validation expense does not include salaries or wages
8487 associated with a licensee of state-owned intellectual property,
8488 legal fees or any payment in conflict with state law.

8489 (l) "Research validation" means research intended to
8490 validate the commercial viability of state-owned intellectual
8491 property.

8492 (m) "Disbursement" means a grant of funds to support
8493 research validation.

8494 **SECTION 84.** Section 57-1-16, Mississippi Code of 1972, is
8495 amended as follows:

8496 57-1-16. (1) As used in this section:

8497 (a) "Extraordinary economic development opportunity"
8498 means a new or expanded business or industry which maintains a
8499 strong financial condition and minimal credit risk and creates
8500 substantial employment, particularly in areas of high
8501 unemployment. The term "extraordinary economic development
8502 opportunity" does not include any medical cannabis establishment
8503 as defined in the Mississippi Medical Cannabis Act.

8504 (b) "Local economic development entities" means state
8505 institutions of higher learning or public or private nonprofit
8506 local economic development entities including, but not limited to,



chambers of commerce, local authorities, commissions or other entities created by local and private legislation or districts created pursuant to Section 19-5-99.

(c) "MDA" means the Mississippi Development Authority.

(2) (a) There is hereby created in the State Treasury a special fund to be designated as the ACE Fund, which shall consist of money from any public or private source designated for deposit into such fund. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any interest earned on amounts in the fund shall be deposited to the credit of the fund. The purpose of the fund shall be to assist in maximizing extraordinary economic development opportunities related to any new or expanded business or industry or to assist a local unit of government as authorized in subsection (5) of this section. Such funds may be used to make grants to local economic development entities to assist any new or expanding business or industry that meets the criteria provided in this section when such assistance aids the consummation of a project within the State of Mississippi, including any federal Indian reservation located within the geographical boundary of Mississippi, or to make grants to a local unit of government as authorized in subsection (5) of this section.

(b) Monies in the fund which are derived from the proceeds of general obligation bonds may be used to reimburse reasonable actual and necessary costs incurred by the MDA for the



8532 administration of the various grant, loan and financial incentive
8533 programs administered by the MDA. An accounting of actual costs
8534 incurred for which reimbursement is sought shall be maintained by
8535 the MDA. Reimbursement of reasonable actual and necessary costs
8536 shall not exceed three percent (3%) of the proceeds of bonds
8537 issued. Reimbursements made under this subsection shall satisfy
8538 any applicable federal tax law requirements.

8539 (3) The MDA shall establish a grant program to make grants
8540 from the ACE Fund created under this section. Local economic
8541 development entities may apply to the MDA for a grant under this
8542 section in the manner provided for in subsection (4) of this
8543 section. Local units of government may apply to the MDA for a
8544 grant under this section in the manner provided in subsection (5)
8545 of this section.

8546 (4) (a) Any business or industry desiring assistance from a
8547 local economic development entity under this section shall submit
8548 an application to the local economic development entity which
8549 shall include, at a minimum:

8550 (i) Evidence that the business or industry meets
8551 the definition of an extraordinary economic development
8552 opportunity;

8553 (ii) A demonstration that the business or industry
8554 is at an economic disadvantage by locating the new or expanded
8555 project in the county;



8556 (iii) A description, including the cost, of the
8557 requested assistance;

8558 (iv) A description of the purpose for which the
8559 assistance is requested;

8560 (v) A two-year business plan;

8561 (vi) Financial statements or tax returns for the
8562 three (3) years immediately prior to the application;

8563 (vii) Credit reports on all persons or entities
8564 with a twenty percent (20%) or greater interest in the business or
8565 industry; and

8566 (viii) Any other information required by the MDA.

8567 (b) The MDA shall require that binding commitments be
8568 entered into requiring that:

8569 (i) The minimum requirements of this section and
8570 such other requirements as the MDA considers proper shall be met;
8571 and

8572 (ii) If such requirements are not met, all or a
8573 portion of the funds provided by this section as determined by the
8574 MDA shall be repaid.

8575 (c) Upon receipt of the application from a business or
8576 industry, the local economic development entity may apply to the
8577 MDA for assistance under this section. Such application must
8578 contain evidence that the business or industry meets the
8579 definition of an extraordinary economic development opportunity, a
8580 demonstration that the business or industry is at an economic



disadvantage by locating the new or expanded project in the county, a description, including the cost, of the requested assistance, and a statement of what efforts have been made or are being made by the business or industry for securing or qualifying for other local, state, federal or private funds for the project.

(d) The MDA shall have sole discretion in the awarding of ACE funds, provided that the business or industry and the local economic development entity have met the statutory requirements of this section. However, in making grants under this section, the MDA shall attempt to provide for an equitable distribution of such grants among each of the congressional districts of this state in order to promote economic development across the entire state.

(5) (a) The MDA may make grants to local units of government to assist the local unit of government in purchasing real property for the benefit of an existing industry that commits to maintain a minimum of one thousand three hundred (1,300) jobs for a minimum of ten (10) years after the date the grant is made. The MDA shall not make grants under this subsection to assist local units of government for the benefit of any medical cannabis establishment as defined in the Mississippi Medical Cannabis Act.

(b) Any local unit of government seeking a grant authorized under this subsection shall apply to MDA. The application shall contain such information as the MDA may require.

(c) The MDA shall require that binding commitments be entered into requiring that:



8606 (i) The minimum requirements of this subsection
8607 and such other requirements as the MDA considers proper shall be
8608 met; and

8609 (ii) If such requirements are not met, all or a
8610 portion of the funds provided by this section as determined by the
8611 MDA shall be repaid.

8612 (6) The MDA shall promulgate rules and regulations, in
8613 accordance with the Mississippi Administrative Procedures Law, for
8614 the implementation of this section. However, before the
8615 implementation of any such rules and regulations, they shall be
8616 submitted to a committee consisting of five (5) members of the
8617 Senate Finance Committee and five (5) members of the House of
8618 Representatives Ways and Means Committee, appointed by the
8619 respective committee chairmen.

8620 **SECTION 85.** Section 57-1-221, Mississippi Code of 1972, is
8621 amended as follows:

8622 57-1-221. (1) As used in this section:

8623 (a) "Approved business enterprise" means any project
8624 that:

8625 (i) Locates or expands in this state, including
8626 any federal Indian reservation located within the geographical
8627 boundary of this state, and creates a minimum of two hundred fifty
8628 (250) new, full-time jobs with a total capital investment in the
8629 state of a minimum of Thirty Million Dollars (\$30,000,000.00) in
8630 Tier 1 or Tier 2 counties;



8631 (ii) Locates or expands in this state, including
8632 any federal Indian reservation located within the geographical
8633 boundary of this state, and creates a minimum of one hundred fifty
8634 (150) new, full-time jobs with a total capital investment in the
8635 state of a minimum of Fifteen Million Dollars (\$15,000,000.00) in
8636 areas federally designated as low-income census tracts;

8637 (iii) Locates or expands in this state, including
8638 any federal Indian reservation located within the geographical
8639 boundary of this state, and creates a minimum of one thousand
8640 (1,000) new, full-time jobs;

8641 (iv) Is a manufacturer of high-end kitchen
8642 appliances having at least four hundred (400) employees working at
8643 its Mississippi facilities on January 1, 2015, and with a capital
8644 investment of at least Five Million Dollars (\$5,000,000.00) made
8645 after July 1, 2014, through four (4) years after July 1, 2015,
8646 that expands in this state, including any federal Indian
8647 reservation located within the geographical boundary of this
8648 state, and retains a minimum of four hundred (400) jobs; or

8649 (v) Locates or expands in this state, including
8650 any federal Indian reservation located within the geographical
8651 boundary of this state, with significant regional impact as
8652 determined by MDA.

8653 (b) "MDA" means the Mississippi Development Authority.

8654 (c) "Facility related to the project" means and
8655 includes any of the following, as they may pertain to the project:



8656 (i) Facilities to provide potable and industrial
8657 water supply systems, sewage and waste disposal systems and water,
8658 natural gas and electric transmission systems to the site of the
8659 project;

8660 (ii) Building facilities and equipment necessary
8661 to operate the facility;

8662 (iii) Rail lines;

8663 (iv) Airports, airfields, air terminals and port
8664 facilities;

8665 (v) Highways, streets and other roadways; and

8666 (vi) Fire protection facilities, equipment and
8667 elevated water tanks.

8668 (d) "Project" means any industrial, commercial,
8669 research and development, warehousing, distribution,
8670 transportation, processing, mining, United States government or
8671 tourism enterprise together with all real property required for
8672 construction, maintenance and operation of the enterprise that is
8673 approved by the MDA. The term "project" does not include any
8674 medical cannabis establishment as defined in the Mississippi
8675 Medical Cannabis Act.

8676 (2) (a) There is created a special fund in the State
8677 Treasury to be known as the Mississippi Industry Incentive
8678 Financing Revolving Fund which shall consist of monies from any
8679 source designated for deposit into the fund. Unexpended amounts
8680 remaining in the fund at the end of a fiscal year shall not lapse



8681 into the State General Fund, and any interest earned on amounts in
8682 the fund shall be deposited to the credit of the fund. Except as
8683 otherwise provided, monies in the fund shall be disbursed by the
8684 Mississippi Development Authority for the purposes authorized in
8685 subsection (3) of this section. The Mississippi Development
8686 Authority shall allocate and disburse Thirty Million Dollars
8687 (\$30,000,000.00) from the fund as a grant to Mississippi State
8688 University for the construction, furnishing and equipping of a
8689 high-performance computing data center that is home to federally
8690 designated centers of computing excellence. The disbursement of
8691 such funds shall not be subject to any requirements of this
8692 section relating to grants and loans made by the Mississippi
8693 Development Authority under this section. The Mississippi
8694 Development Authority shall allocate and disburse Three Million
8695 Dollars (\$3,000,000.00) from the fund as a grant to Delta Health
8696 System for capital costs related to hospital systems expansion.
8697 The disbursement of such funds shall not be subject to any
8698 requirements of this section relating to grants and loans made by
8699 the Mississippi Development Authority under this section. The
8700 Mississippi Development Authority shall disburse such funds to
8701 Delta Health System not later than thirty (30) days after April
8702 22, 2021.

8703 (b) Monies in the fund that are derived from the
8704 proceeds of general obligation bonds may be used to reimburse
8705 reasonable actual and necessary costs incurred by the MDA for the



8706 administration of the various grant, loan and financial incentive
8707 programs administered by the MDA. An accounting of actual costs
8708 incurred for which reimbursement is sought shall be maintained by
8709 the MDA. Reimbursement of reasonable actual and necessary costs
8710 shall not exceed three percent (3%) of the proceeds of bonds
8711 issued. Reimbursements made under this subsection shall satisfy
8712 any applicable federal tax law requirements.

8713 (3) The MDA shall establish a program to make grants or
8714 loans from the Mississippi Industry Incentive Financing Revolving
8715 Fund to local governments, including, but not limited to,
8716 counties, municipalities, industrial development authorities and
8717 economic development districts, and approved business enterprises
8718 to construct or otherwise provide facilities related to the
8719 project. Local governments are authorized to accept grants and
8720 enter into loans authorized under the program, and to sell, lease
8721 or otherwise dispose of a project or any property related to the
8722 project in whole or in part.

8723 (4) (a) Except as otherwise provided in this section, any
8724 business enterprise or local government desiring a grant or loan
8725 under this section shall submit an application to the MDA which
8726 shall include, at a minimum:

8727 (i) Evidence that the business or industry meets
8728 the definition of an approved business enterprise;

8729 (ii) A description, including the cost, of the
8730 requested assistance;



8731 (iii) A description of the purpose for which the
8732 assistance is requested; and

8733 (iv) Any other information required by the MDA.

8734 (b) Except as otherwise provided in this section, the
8735 MDA shall require that binding commitments be entered into
8736 requiring that:

8737 (i) The minimum requirements of this section and
8738 such other requirements as the MDA considers proper shall be met;
8739 and

8740 (ii) If such requirements are not met, all or a
8741 portion of the funds provided by this section as determined by the
8742 MDA shall be repaid.

8743 (c) Upon receipt of the application from a business
8744 enterprise or local government for a grant or loan under this
8745 section, the MDA shall determine whether the enterprise meets the
8746 definition of an approved business enterprise and determine
8747 whether to provide the assistance requested in the form of a grant
8748 or a loan.

8749 (d) Except as otherwise provided in subsection (2) (a)
8750 of this section, the MDA shall have sole discretion in providing
8751 grants or loans under this section. The terms of a grant or loan
8752 provided under this section and the manner of repayment of any
8753 loan shall be within the discretion of the MDA. Repayments of
8754 loans made under this section shall be deposited to the credit of
8755 the Mississippi Industry Incentive Financing Revolving Fund until



8756 the uncommitted balance in the fund reaches Fifty Million Dollars
8757 (\$50,000,000.00). Once the uncommitted balance in the fund
8758 reaches Fifty Million Dollars (\$50,000,000.00), repayments of
8759 loans under this section shall be deposited to the credit of Fund
8760 No. 3951 in the State Treasury to pay debt service on bonds until
8761 such time as the uncommitted balance in the fund falls below Fifty
8762 Million Dollars (\$50,000,000.00).

8763 (e) The MDA shall notify the Chairman of the Senate
8764 Finance Committee and the Chairman of the House Ways and Means
8765 Committee of the approval of any grant or loan application thirty
8766 (30) days prior to the disbursement of any monies for the loan or
8767 grant from the Mississippi Industry Incentive Financing Revolving
8768 Fund. The notification shall identify the applicant and the
8769 purposes for which the loan or grant is made.

8770 (5) (a) Contracts, by local governments, including, but not
8771 limited to, design and construction contracts, for the
8772 acquisition, purchase, construction or installation of a project
8773 shall be exempt from the provisions of Section 31-7-13 if:

8774 (i) The MDA finds and records such finding on its
8775 minutes, that because of availability or the particular nature of
8776 a project, it would not be in the public interest or would less
8777 effectively achieve the purposes of this section to enter into
8778 such contracts on the basis of Section 31-7-13; and

8779 (ii) The approved business enterprise that is
8780 involved in the project concurs in such finding.



8781 (b) When the requirements of paragraph (a) of this
8782 subsection are met:

8783 (i) The requirements of Section 31-7-13 shall not
8784 apply to such contracts; and

8785 (ii) The contracts may be entered into on the
8786 basis of negotiation.

8787 (6) It is the policy of the MDA and the MDA is authorized to
8788 accommodate and support any enterprise that receives a loan under
8789 this section for a project defined in Section 17-25-23 that wishes
8790 to have a program of diversity in contracting, and/or that wishes
8791 to do business with or cause its prime contractor to do business
8792 with Mississippi companies, including those companies that are
8793 small business concerns owned and controlled by socially and
8794 economically disadvantaged individuals. The term "socially and
8795 economically disadvantaged individuals" shall have the meaning
8796 ascribed to such term under Section 8(d) of the Small Business Act
8797 (15 USCS 637(d)) and relevant subcontracting regulations
8798 promulgated pursuant thereto; except that women shall be presumed
8799 to be socially and economically disadvantaged individuals for the
8800 purposes of this subsection.

8801 (7) The MDA shall promulgate rules and regulations, in
8802 accordance with the Mississippi Administrative Procedures Law, for
8803 the implementation of this section.

8804 **SECTION 86.** Section 57-10-401, Mississippi Code of 1972, is
8805 amended as follows:



8806 **[In cases involving an economic development project for which**
8807 **the Mississippi Business Finance Corporation has issued bonds for**
8808 **the purpose of financing the approved costs of such project prior**
8809 **to July 1, 1994, this section shall read as follows:]**

8810 57-10-401. As used in Sections 57-10-401 through 57-10-445,
8811 the following terms shall have the meanings ascribed to them
8812 herein unless the context clearly indicates otherwise:

8813 (a) "Approved company" means any eligible company
8814 seeking to locate an economic development project in a county,
8815 which eligible company is approved by the corporation.

8816 (b) "Approved costs" means:

8817 (i) Obligations incurred for equipment and labor
8818 and to contractors, subcontractors, builders and materialmen in
8819 connection with the acquisition, construction and installation of
8820 an economic development project;

8821 (ii) The cost of acquiring land or rights in land
8822 and any cost incidental thereto, including recording fees;

8823 (iii) The cost of contract bonds and of insurance
8824 of all kinds that may be required or necessary during the course
8825 of acquisition, construction and installation of an economic
8826 development project which is not paid by the contractor or
8827 contractors or otherwise provided for;

8828 (iv) All costs of architectural and engineering
8829 services, including test borings, surveys, estimates, plans and
8830 specifications, preliminary investigations, and supervision of



8831 construction, as well as for the performance of all the duties
8832 required by or consequent upon the acquisition, construction and
8833 installation of an economic development project;

8834 (v) All costs which shall be required to be paid
8835 under the terms of any contract or contracts for the acquisition,
8836 construction and installation of an economic development project;

8837 (vi) All costs, expenses and fees incurred in
8838 connection with the issuance of bonds pursuant to Sections
8839 57-10-401 through 57-10-445;

8840 (vii) All costs funded by a loan made under the
8841 Mississippi Small Enterprise Development Finance Act; and

8842 (viii) All costs of professionals permitted to be
8843 engaged under the Mississippi Small Enterprise Development Finance
8844 Act for a loan made under such act.

8845 (c) "Assessment" means the job development assessment
8846 fee authorized in Section 57-10-413.

8847 (d) "Bonds" means the revenue bonds, notes or other
8848 debt obligations of the corporation authorized to be issued by the
8849 corporation on behalf of an eligible company or other state
8850 agency.

8851 (e) "Corporation" means the Mississippi Business
8852 Finance Corporation created under Section 57-10-167, Mississippi
8853 Code of 1972.

8854 (f) "Economic development project" means and includes
8855 the acquisition of any equipment or real estate in a county and



8856 the construction and installation thereon, and with respect
8857 thereto, of improvements and facilities necessary or desirable for
8858 improvement of the real estate, including surveys, site tests and
8859 inspections, subsurface site work, excavation, removal of
8860 structures, roadways, cemeteries and other surface obstructions,
8861 filling, grading and provision of drainage, storm water detention,
8862 installation of utilities such as water, sewer, sewage treatment,
8863 gas, electricity, communications and similar facilities, off-site
8864 construction of utility extensions to the boundaries of the real
8865 estate, and the acquisition, construction and installation of
8866 manufacturing, telecommunications, data processing, distribution
8867 or warehouse facilities on the real estate, for lease or financial
8868 arrangement by the corporation to an approved company for use and
8869 occupancy by the approved company or its affiliates for
8870 manufacturing, telecommunications, data processing, distribution
8871 or warehouse purposes. Such term also includes, without
8872 limitation, any project the financing of which has been approved
8873 under the Mississippi Small Enterprise Development Finance Act.
8874 From and after January 1, 2014, such term also includes the
8875 economic development project of a related approved company that is
8876 merged into or consolidated with another approved company where
8877 the approved companies are engaged in a vertically integrated
8878 manufacturing or warehouse operation.



8879 (g) "Eligible company" means any corporation,
8880 partnership, sole proprietorship, business trust, or other entity
8881 which is:

8882 (i) Engaged in manufacturing which meets the
8883 standards promulgated by the corporation under Sections 57-10-401
8884 through 57-10-445;

8885 (ii) A private company approved by the corporation
8886 for a loan under the Mississippi Small Enterprise Development
8887 Finance Act;

8888 (iii) A distribution or warehouse facility
8889 employing a minimum of fifty (50) people or employing a minimum of
8890 twenty (20) people and having a capital investment in such
8891 facility of at least Five Million Dollars (\$5,000,000.00); or

8892 (iv) A telecommunications or data processing
8893 business.

8894 (h) "Executive director" means the Executive Director
8895 of the Mississippi Business Finance Corporation.

8896 (i) "Financing agreement" means any financing documents
8897 and agreements, indentures, loan agreements, lease agreements,
8898 security agreements and the like, entered into by and among the
8899 corporation, private lenders and an approved company with respect
8900 to an economic development project.

8901 (j) "Manufacturing" means any activity involving the
8902 manufacturing, processing, assembling or production of any
8903 property, including the processing resulting in a change in the



8904 conditions of the property and any activity functionally related
8905 thereto, together with the storage, warehousing, distribution and
8906 related office facilities in respect thereof as determined by the
8907 Mississippi Business Finance Corporation; however, in no event
8908 shall "manufacturing" include mining, coal or mineral processing,
8909 or extraction of Mississippi minerals.

8910 (k) "State agency" means any state board, commission,
8911 committee, council, university, department or unit thereof created
8912 by the Constitution or laws of this state.

8913 (l) "Revenues" shall not be considered state funds.

8914 (m) "State" means the State of Mississippi.

8915 (n) "Mississippi Small Enterprise Development Finance
8916 Act" means the provisions of law contained in Section 57-71-1 et
8917 seq.

8918 **[In cases involving an economic development project for which**
8919 **the Mississippi Business Finance Corporation has not issued bonds**
8920 **for the purpose of financing the approved costs of such project**
8921 **prior to July 1, 1994, this section shall read as follows:]**

8922 57-10-401. As used in Sections 57-10-401 through 57-10-445,
8923 the following terms shall have the meanings ascribed to them
8924 herein unless the context clearly indicates otherwise:

8925 (a) "Approved company" means any eligible company
8926 seeking to locate an economic development project in a county,
8927 which eligible company is approved by the corporation.

8928 (b) "Approved costs" means:



8929 (i) Obligations incurred for equipment and labor
8930 and to contractors, subcontractors, builders and materialmen in
8931 connection with the acquisition, construction and installation of
8932 an economic development project;

8933 (ii) The cost of acquiring land or rights in land
8934 and any cost incidental thereto, including recording fees;

8935 (iii) The cost of contract bonds and of insurance
8936 of all kinds that may be required or necessary during the course
8937 of acquisition, construction and installation of an economic
8938 development project which is not paid by the contractor or
8939 contractors or otherwise provided for;

8940 (iv) All costs of architectural and engineering
8941 services, including test borings, surveys, estimates, plans and
8942 specifications, preliminary investigations, and supervision of
8943 construction, as well as for the performance of all the duties
8944 required by or consequent upon the acquisition, construction and
8945 installation of an economic development project;

8946 (v) All costs which shall be required to be paid
8947 under the terms of any contract or contracts for the acquisition,
8948 construction and installation of an economic development project;

8949 (vi) All costs, expenses and fees incurred in
8950 connection with the issuance of bonds pursuant to Sections
8951 57-10-401 through 57-10-445;

8952 (vii) All costs funded by a loan made under the
8953 Mississippi Small Enterprise Development Finance Act; and



8954 (viii) All costs of professionals permitted to be
8955 engaged under the Mississippi Small Enterprise Development Finance
8956 Act for a loan made under such act.

8957 (c) "Assessment" means the job development assessment
8958 fee authorized in Section 57-10-413.

8959 (d) "Bonds" means the revenue bonds, notes or other
8960 debt obligations of the corporation authorized to be issued by the
8961 corporation on behalf of an eligible company or other state
8962 agency.

8963 (e) "Corporation" means the Mississippi Business
8964 Finance Corporation created under Section 57-10-167, Mississippi
8965 Code of 1972.

8966 (f) "Economic development project" means and includes
8967 the acquisition of any equipment or real estate in a county and
8968 the construction and installation thereon, and with respect
8969 thereto, of improvements and facilities necessary or desirable for
8970 improvement of the real estate, including surveys, site tests and
8971 inspections, subsurface site work, excavation, removal of
8972 structures, roadways, cemeteries and other surface obstructions,
8973 filling, grading and provision of drainage, storm water detention,
8974 installation of utilities such as water, sewer, sewage treatment,
8975 gas, electricity, communications and similar facilities, off-site
8976 construction of utility extensions to the boundaries of the real
8977 estate, and the acquisition, construction and installation of
8978 manufacturing, telecommunications, data processing, distribution



8979 or warehouse facilities on the real estate, for lease or financial
8980 arrangement by the corporation to an approved company for use and
8981 occupancy by the approved company or its affiliates for
8982 manufacturing, telecommunications, data processing, distribution
8983 or warehouse purposes. Such term also includes, without
8984 limitation, any project the financing of which has been approved
8985 under the Mississippi Small Enterprise Development Finance Act.

8986 If an eligible company closes a facility in this state and
8987 becomes an approved company under the provisions of Sections
8988 57-10-401 through 57-10-449, only that portion of the project for
8989 which such company is attempting to obtain financing that is in
8990 excess of the value of the closed facility shall be included
8991 within the definition of the term "economic development project."
8992 The Mississippi Business Finance Corporation shall promulgate
8993 rules and regulations to govern the determination of the
8994 difference between the value of the closed facility and the new
8995 facility.

8996 (g) "Eligible company" means any corporation,
8997 partnership, sole proprietorship, business trust, or other entity
8998 which:

8999 (i) Engaged in manufacturing which meets the
9000 standards promulgated by the corporation under Sections 57-10-401
9001 through 57-10-445;



9002 (ii) A private company approved by the corporation
9003 for a loan under the Mississippi Small Enterprise Development
9004 Finance Act;

9005 (iii) A distribution or warehouse facility
9006 employing a minimum of fifty (50) people or employing a minimum of
9007 twenty (20) people and having a capital investment in such
9008 facility of at least Five Million Dollars (\$5,000,000.00);

9009 (iv) A telecommunications or data/information
9010 processing business meeting criteria established by the
9011 Mississippi Business Finance Corporation;

9012 (v) National or regional headquarters meeting
9013 criteria established by the Mississippi Business Finance
9014 Corporation;

9015 (vi) Research and development facilities meeting
9016 criteria established by the Mississippi Business Finance
9017 Corporation; or

9018 (vii) Technology intensive enterprises or
9019 facilities meeting criteria established by the Mississippi
9020 Business Finance Corporation.

9021 The term "eligible company" does not include any medical
9022 cannabis establishment as defined in the Mississippi Medical
9023 Cannabis Act.

9024 (h) "Executive director" means the Executive Director
9025 of the Mississippi Business Finance Corporation.



9026 (i) "Financing agreement" means any financing documents
9027 and agreements, indentures, loan agreements, lease agreements,
9028 security agreements and the like, entered into by and among the
9029 corporation, private lenders and an approved company with respect
9030 to an economic development project.

9031 (j) "Manufacturing" means any activity involving the
9032 manufacturing, processing, assembling or production of any
9033 property, including the processing resulting in a change in the
9034 conditions of the property and any activity functionally related
9035 thereto, together with the storage, warehousing, distribution and
9036 related office facilities in respect thereof as determined by the
9037 Mississippi Business Finance Corporation; however, in no event
9038 shall "manufacturing" include mining, coal or mineral processing,
9039 or extraction of Mississippi minerals.

9040 (k) "State agency" means any state board, commission,
9041 committee, council, university, department or unit thereof created
9042 by the Constitution or laws of this state.

9043 (l) "Revenues" shall not be considered state funds.

9044 (m) "State" means the State of Mississippi.

9045 (n) "Mississippi Small Enterprise Development Finance
9046 Act" means the provisions of law contained in Section 57-71-1 et
9047 seq.

9048 **SECTION 87.** Section 57-61-5, Mississippi Code of 1972, is
9049 amended as follows:



57-61-5. The following words and phrases when used in this chapter shall have the meanings given to them in this section unless the context clearly indicates otherwise:

(a) "Department" means the Mississippi * * * Development Authority.

(b) "Board" means the Mississippi * * * Development Authority operating through its executive director.

(c) "Improvements" means the construction, rehabilitation or repair of drainage systems; energy facilities (power generation and distribution); fire safety facilities (excluding vehicles); sewer systems (pipe treatment); transportation directly affecting the site of the proposed investment, including roads, sidewalks, bridges, rail, port, river, airport or pipeline (excluding vehicles); bulkheads; buildings; and facilities necessary to accommodate a United States Navy home port; and means land reclamation; waste disposal; water supply (storage, treatment and distribution); land acquisition; and the dredging of channels and basins.

(d) "Municipality" means any county or any incorporated city, or town, acting individually or jointly, or any agency of the State of Mississippi operating a state-owned port.

(e) "Private company" means any agricultural, aquacultural, maricultural, industrial, manufacturing, service, tourism, or research and development enterprise or enterprises. The term "private company" shall not include any retail trade



9075 enterprise except regional shopping malls having a minimum capital
9076 investment of One Hundred Million Dollars (\$100,000,000.00). The
9077 term "private company" shall not include any medical cannabis
9078 establishment as defined in the Mississippi Medical Cannabis Act.
9079 No more than fifteen percent (15%) of the aggregate funds made
9080 available under this chapter shall be used to fund aquacultural,
9081 maricultural and tourism enterprises. The funds made available to
9082 tourism enterprises under this chapter shall be limited to
9083 infrastructure improvements and to the acquisition of land and
9084 shall not be made available to fund tourism promotions or to fund
9085 the construction, improvement or acquisition of hotels and/or
9086 motels or to finance or refinance any obligations of hotels and/or
9087 motels.

9088 (f) "Governmental unit" means a department or
9089 subsidiary of the United States government, or an agency of the
9090 State of Mississippi operating a state-owned port.

9091 (g) "Private match" means any new private investment by
9092 the private company and/or governmental unit in land, buildings,
9093 depreciable fixed assets, and improvements of the project used to
9094 match improvements funded under this chapter. The term "private
9095 match" includes improvements made prior to the effective date of
9096 this chapter [Laws, 1986, Chapter 419, effective March 31, 1986]
9097 pursuant to contracts entered into contingent upon assistance
9098 being made available under this chapter.



9099 (h) "Publicly owned property" means property which is
9100 owned by the local, state or United States government and is not
9101 under the control of a private company.

9102 (i) "Director" means the Executive Director of
9103 the * * * Mississippi Development Authority.

9104 (j) "Small community" means a county with a population
9105 of twenty-five thousand (25,000) or less; or a municipality with a
9106 population of ten thousand (10,000) or less and any area within
9107 five (5) miles of the limits of such municipality, according to
9108 the most recent federal decennial census.

9109 (k) "Strategic investment" means an investment by the
9110 private and public sectors that will have a major impact on job
9111 creation and maintenance in the state of no less than one hundred
9112 fifty (150) jobs, that will have a major impact on enlargement and
9113 enhancement of international and foreign trade and commerce to and
9114 from the State of Mississippi, or which is considered to be unique
9115 to the state and have statewide or regional impact as determined
9116 by the department.

9117 (l) "Seller" means the State Bond Commission or the
9118 State Development Bank.

9119 **SECTION 88.** Section 57-62-5, Mississippi Code of 1972, is
9120 amended as follows:

9121 **[For businesses or industries that received or applied for**
9122 **incentive payments prior to July 1, 2005, this section shall read**
9123 **as follows:]**



9124 57-62-5. As used in this chapter, the following words and
9125 phrases shall have the meanings ascribed in this section unless
9126 the context clearly indicates otherwise:

9127 (a) "Qualified business or industry" means any
9128 corporation, limited liability company, partnership, sole
9129 proprietorship, business trust or other legal entity and subunits
9130 or affiliates thereof, pursuant to rules and regulations of the
9131 MDA, which provides an average annual salary, excluding benefits
9132 which are not subject to Mississippi income taxes, of at least one
9133 hundred twenty-five percent (125%) of the most recently published
9134 state average annual wage or the most recently published average
9135 annual wage of the county in which the qualified business or
9136 industry is located as determined by the Mississippi Department of
9137 Employment Security, whichever is the lesser. An establishment
9138 shall not be considered to be a qualified business or industry
9139 unless it offers, or will offer within one hundred eighty (180)
9140 days of the date it receives the first incentive payment pursuant
9141 to the provisions of this chapter, a basic health benefits plan to
9142 the individuals it employs in new direct jobs in this state which
9143 is approved by the MDA. Qualified business or industry does not
9144 include retail business or gaming business;

9145 (b) "New direct job" means full-time employment in this
9146 state in a qualified business or industry that has qualified to
9147 receive an incentive payment pursuant to this chapter, which
9148 employment did not exist in this state before the date of approval



9149 by the MDA of the application of the qualified business or
9150 industry pursuant to the provisions of this chapter. "New direct
9151 job" shall include full-time employment in this state of employees
9152 who are employed by an entity other than the establishment that
9153 has qualified to receive an incentive payment and who are leased
9154 to the qualified business or industry, if such employment did not
9155 exist in this state before the date of approval by the MDA of the
9156 application of the establishment;

9157 (c) "Full-time job" means a job of at least thirty-five
9158 (35) hours per week;

9159 (d) "Estimated direct state benefits" means the tax
9160 revenues projected by the MDA to accrue to the state as a result
9161 of the qualified business or industry;

9162 (e) "Estimated direct state costs" means the costs
9163 projected by the MDA to accrue to the state as a result of the
9164 qualified business or industry;

9165 (f) "Estimated net direct state benefits" means the
9166 estimated direct state benefits less the estimated direct state
9167 costs;

9168 (g) "Net benefit rate" means the estimated net direct
9169 state benefits computed as a percentage of gross payroll, provided
9170 that:

9171 (i) Except as otherwise provided in this paragraph
9172 (g), the net benefit rate may be variable and shall not exceed



9173 four percent (4%) of the gross payroll; and shall be set in the
9174 sole discretion of the MDA;

9175 (ii) In no event shall incentive payments,
9176 cumulatively, exceed the estimated net direct state benefits;

9177 (h) "Gross payroll" means wages for new direct jobs of
9178 the qualified business or industry; and

9179 (i) "MDA" means the Mississippi Development Authority.

9180 **[For businesses or industries that received or applied for**
9181 **incentive payments from and after July 1, 2005, but prior to July**
9182 **1, 2010, this section shall read as follows:]**

9183 57-62-5. As used in this chapter, the following words and
9184 phrases shall have the meanings ascribed in this section unless
9185 the context clearly indicates otherwise:

9186 (a) "Qualified business or industry" means any
9187 corporation, limited liability company, partnership, sole
9188 proprietorship, business trust or other legal entity and subunits
9189 or affiliates thereof, pursuant to rules and regulations of the
9190 MDA, which:

9191 (i) Is a data/information processing enterprise
9192 meeting minimum criteria established by the MDA that provides an
9193 average annual salary, excluding benefits which are not subject to
9194 Mississippi income taxes, of at least one hundred percent (100%)
9195 of the most recently published state average annual wage or the
9196 most recently published average annual wage of the county in which
9197 the qualified business or industry is located as determined by the



9198 Mississippi Department of Employment Security, whichever is the
9199 lesser, and creates not less than two hundred (200) new direct
9200 jobs if the enterprise is located in a Tier One or Tier Two area
9201 (as such areas are designated in accordance with Section
9202 57-73-21), or which creates not less than one hundred (100) new
9203 jobs if the enterprise is located in a Tier Three area (as such
9204 areas are designated in accordance with Section 57-73-21);

9205 (ii) Is a manufacturing or distribution enterprise
9206 meeting minimum criteria established by the MDA that provides an
9207 average annual salary, excluding benefits which are not subject to
9208 Mississippi income taxes, of at least one hundred ten percent
9209 (110%) of the most recently published state average annual wage or
9210 the most recently published average annual wage of the county in
9211 which the qualified business or industry is located as determined
9212 by the Mississippi Department of Employment Security, whichever is
9213 the lesser, invests not less than Twenty Million Dollars
9214 (\$20,000,000.00) in land, buildings and equipment, and creates not
9215 less than fifty (50) new direct jobs if the enterprise is located
9216 in a Tier One or Tier Two area (as such areas are designated in
9217 accordance with Section 57-73-21), or which creates not less than
9218 twenty (20) new jobs if the enterprise is located in a Tier Three
9219 area (as such areas are designated in accordance with Section
9220 57-73-21);

9221 (iii) Is a corporation, limited liability company,
9222 partnership, sole proprietorship, business trust or other legal



9223 entity and subunits or affiliates thereof, pursuant to rules and
9224 regulations of the MDA, which provides an average annual salary,
9225 excluding benefits which are not subject to Mississippi income
9226 taxes, of at least one hundred twenty-five percent (125%) of the
9227 most recently published state average annual wage or the most
9228 recently published average annual wage of the county in which the
9229 qualified business or industry is located as determined by the
9230 Mississippi Department of Employment Security, whichever is the
9231 lesser, and creates not less than twenty-five (25) new direct jobs
9232 if the enterprise is located in a Tier One or Tier Two area (as
9233 such areas are designated in accordance with Section 57-73-21), or
9234 which creates not less than ten (10) new jobs if the enterprise is
9235 located in a Tier Three area (as such areas are designated in
9236 accordance with Section 57-73-21). An establishment shall not be
9237 considered to be a qualified business or industry unless it
9238 offers, or will offer within one hundred eighty (180) days of the
9239 date it receives the first incentive payment pursuant to the
9240 provisions of this chapter, a basic health benefits plan to the
9241 individuals it employs in new direct jobs in this state which is
9242 approved by the MDA. Qualified business or industry does not
9243 include retail business or gaming business; or
9244 (iv) Is a research and development or a technology
9245 intensive enterprise meeting minimum criteria established by the
9246 MDA that provides an average annual salary, excluding benefits
9247 which are not subject to Mississippi income taxes, of at least one



9248 hundred fifty percent (150%) of the most recently published state
9249 average annual wage or the most recently published average annual
9250 wage of the county in which the qualified business or industry is
9251 located as determined by the Mississippi Department of Employment
9252 Security, whichever is the lesser, and creates not less than ten
9253 (10) new direct jobs.

9254 An establishment shall not be considered to be a qualified
9255 business or industry unless it offers, or will offer within one
9256 hundred eighty (180) days of the date it receives the first
9257 incentive payment pursuant to the provisions of this chapter, a
9258 basic health benefits plan to the individuals it employs in new
9259 direct jobs in this state which is approved by the MDA. Qualified
9260 business or industry does not include retail business or gaming
9261 business.

9262 (b) "New direct job" means full-time employment in this
9263 state in a qualified business or industry that has qualified to
9264 receive an incentive payment pursuant to this chapter, which
9265 employment did not exist in this state before the date of approval
9266 by the MDA of the application of the qualified business or
9267 industry pursuant to the provisions of this chapter. "New direct
9268 job" shall include full-time employment in this state of employees
9269 who are employed by an entity other than the establishment that
9270 has qualified to receive an incentive payment and who are leased
9271 to the qualified business or industry, if such employment did not



9272 exist in this state before the date of approval by the MDA of the
9273 application of the establishment.

9274 (c) "Full-time job" or "full-time employment" means a
9275 job of at least thirty-five (35) hours per week.

9276 (d) "Estimated direct state benefits" means the tax
9277 revenues projected by the MDA to accrue to the state as a result
9278 of the qualified business or industry.

9279 (e) "Estimated direct state costs" means the costs
9280 projected by the MDA to accrue to the state as a result of the
9281 qualified business or industry.

9282 (f) "Estimated net direct state benefits" means the
9283 estimated direct state benefits less the estimated direct state
9284 costs.

9285 (g) "Net benefit rate" means the estimated net direct
9286 state benefits computed as a percentage of gross payroll, provided
9287 that:

9288 (i) Except as otherwise provided in this paragraph
9289 (g), the net benefit rate may be variable and shall not exceed
9290 four percent (4%) of the gross payroll; and shall be set in the
9291 sole discretion of the MDA;

9292 (ii) In no event shall incentive payments,
9293 cumulatively, exceed the estimated net direct state benefits.

9294 (h) "Gross payroll" means wages for new direct jobs of
9295 the qualified business or industry.

9296 (i) "MDA" means the Mississippi Development Authority.



9297 **[For businesses or industries that apply for incentive**
9298 **payments from and after July 1, 2010, this section shall read as**
9299 **follows:]**

9300 57-62-5. As used in this chapter, the following words and
9301 phrases shall have the meanings ascribed in this section unless
9302 the context clearly indicates otherwise:

9303 (a) "Qualified business or industry" means any
9304 corporation, limited liability company, partnership, sole
9305 proprietorship, business trust or other legal entity and subunits
9306 or affiliates thereof, pursuant to rules and regulations of the
9307 MDA, which:

9308 (i) Is a data/information processing enterprise
9309 meeting minimum criteria established by the MDA that provides an
9310 average annual salary, excluding benefits which are not subject to
9311 Mississippi income taxes, of at least one hundred percent (100%)
9312 of the most recently published state average annual wage or the
9313 most recently published average annual wage of the county in which
9314 the qualified business or industry is located as determined by the
9315 Mississippi Department of Employment Security, whichever is the
9316 lesser, and creates not less than two hundred (200) new direct
9317 jobs;

9318 (ii) Is a corporation, limited liability company,
9319 partnership, sole proprietorship, business trust or other legal
9320 entity and subunits or affiliates thereof, pursuant to rules and
9321 regulations of the MDA, which provides an average annual salary,



9322 excluding benefits which are not subject to Mississippi income
9323 taxes, of at least one hundred ten percent (110%) of the most
9324 recently published state average annual wage or the most recently
9325 published average annual wage of the county in which the qualified
9326 business or industry is located as determined by the Mississippi
9327 Department of Employment Security, whichever is the lesser, and
9328 creates not less than twenty-five (25) new direct jobs; or

9329 (iii) Is a corporation, limited liability company,
9330 partnership, sole proprietorship, business trust or other legal
9331 entity and subunits or affiliates thereof, pursuant to rules and
9332 regulations of the MDA, which is a manufacturer that:

9333 1. Provides an average annual salary,
9334 excluding benefits which are not subject to Mississippi income
9335 taxes, of at least one hundred ten percent (110%) of the most
9336 recently published state average annual wage or the most recently
9337 published average annual wage of the county in which the qualified
9338 business or industry is located as determined by the Mississippi
9339 Department of Employment Security, whichever is the lesser;

9340 2. Has a minimum of five thousand (5,000)
9341 existing employees as of the last day of the previous calendar
9342 year; and

9343 3. MDA determines will create not less than
9344 three thousand (3,000) new direct jobs within forty-eight (48)
9345 months of the date the MDA determines that the applicant is
9346 qualified to receive incentive payments.



9347 An establishment shall not be considered to be a qualified
9348 business or industry unless it offers, or will offer within one
9349 hundred eighty (180) days of the date it receives the first
9350 incentive payment pursuant to the provisions of this chapter, a
9351 basic health benefits plan to the individuals it employs in new
9352 direct jobs in this state which is approved by the MDA. Qualified
9353 business or industry does not include retail business or gaming
9354 business, or any medical cannabis establishment as defined in the
9355 Mississippi Medical Cannabis Act.

9356 (b) "New direct job" means full-time employment in this
9357 state in a qualified business or industry that has qualified to
9358 receive an incentive payment pursuant to this chapter, which
9359 employment did not exist in this state:

9360 (i) Before the date of approval by the MDA of the
9361 application of the qualified business or industry pursuant to the
9362 provisions of this chapter; or

9363 (ii) Solely with respect to any farm equipment
9364 manufacturer that locates its North American headquarters to
9365 Mississippi between January 1, 2018, and December 31, 2020, before
9366 a specific date determined by the MDA that falls on or after the
9367 date that the MDA first issues to such farm equipment manufacturer
9368 one or more written commitments or offers of any incentives in
9369 connection with the new headquarters project and related
9370 facilities expected to result in the creation of such new job.



9371 "New direct job" shall include full-time employment in this
9372 state of employees who are employed by an entity other than the
9373 establishment that has qualified to receive an incentive payment
9374 and who are leased to the qualified business or industry, if such
9375 employment did not exist in this state before the date of approval
9376 by the MDA of the application of the establishment.

9377 (c) "Full-time job" or "full-time employment" means a
9378 job of at least thirty-five (35) hours per week.

9379 (d) "Gross payroll" means wages for new direct jobs of
9380 the qualified business or industry.

9381 (e) "MDA" means the Mississippi Development Authority.

9382 **SECTION 89.** Section 57-69-3, Mississippi Code of 1972, is
9383 amended as follows:

9384 57-69-3. Unless the context requires otherwise, the
9385 following words shall have the following meanings for the purposes
9386 of this chapter:

9387 (a) "Class of contract basis" means an entire group of
9388 contracts having a common characteristic.

9389 (b) "Commercially useful function" means being
9390 responsible for execution of a contract or a distinct element of
9391 the work under a contract by actually performing, managing, and
9392 supervising the work involved.

9393 (c) "Contract" means all types of state agreements,
9394 regardless of what they may be called, for the purchase of



9395 supplies or services or for construction or major repairs.
9396 "Contract" includes the following:
9397 (i) Awards and notices of award.
9398 (ii) Contracts of a fixed price, cost,
9399 cost-plus-a-fixed-fee, or incentive types.
9400 (iii) Contracts providing for the issuance of job
9401 or task orders.
9402 (iv) Leases.
9403 (v) Letter contracts.
9404 (vi) Purchase orders.
9405 (vii) Any supplemental agreements with respect to
9406 (i) through (vi) of this * * * paragraph.
9407 (d) "Contracting base" means the dollar amount of
9408 contracts for public works and procurement of goods and services
9409 awarded by a state agency or a state educational institution
9410 during a fiscal year.
9411 (e) "Contract by contract basis" means a single
9412 contract within a specific class of contracts.
9413 (f) "Contractor" means a party who enters into a
9414 contract to provide a state or educational institution with goods
9415 or services, including construction, or a subcontractor or
9416 sublessee of such a party.
9417 (g) "Director" means the Executive Director of the
9418 Office of Minority Business Enterprises of the Mississippi
9419 Development Authority.



9420 (h) "Educational institutions" means the state
9421 universities, vocational institutions, and any other
9422 state-supported educational institutions.

9423 (i) "Joint venture" means an association of two (2) or
9424 more persons or businesses to carry out a single business
9425 enterprise for profit for which purpose they combine their
9426 property, capital, efforts, skills, and knowledge, and in which
9427 they exercise control and share in profits and losses in
9428 proportion to their contribution to the enterprise.

9429 (j) "Minority" means a person who is a citizen or
9430 lawful permanent resident of the United States and who is:

9431 (i) Black: having origins in any of the black
9432 racial groups of Africa.

9433 (ii) Hispanic: of Mexican, Puerto Rican, Cuban,
9434 Central or South American, or other Spanish or Portuguese culture
9435 or origin regardless of race.

9436 (iii) Asian American: having origins in any of
9437 the original peoples of the Far East, Southeast Asia, the Indian
9438 subcontinent, or the Pacific Islands.

9439 (iv) American Indian or Alaskan Native: having
9440 origins in any of the original peoples of North America.

9441 (v) Female.

9442 (k) "Minority business enterprise" or "minority owned
9443 business" means a socially and economically disadvantaged small
9444 business concern organized for profit performing a commercially



9445 useful function which is owned and controlled by one or more
9446 individuals or minority business enterprises certified by the
9447 office, at least seventy-five percent (75%) of whom are resident
9448 citizens of the State of Mississippi. For purposes of this
9449 paragraph, the term "socially and economically disadvantaged small
9450 business concern" shall have the meaning ascribed to such term
9451 under the Small Business Act (15 USCS, Section 637(a)). Owned and
9452 controlled means a business in which one or more minorities or
9453 minority business enterprises certified by the office own at least
9454 fifty-one percent (51%) or in the case of a corporation at least
9455 fifty-one percent (51%) of the voting stock and control at least
9456 fifty-one percent (51%) of the management and daily business
9457 operations of the business. The term "minority business
9458 enterprise" does not include any medical cannabis establishment as
9459 defined in the Mississippi Medical Cannabis Act.

9460 (1) "Minority business enterprise supplier" means a
9461 socially and economically disadvantaged small business concern
9462 which is owned and controlled by one or more individuals, at least
9463 seventy-five percent (75%) of whom are resident citizens of the
9464 State of Mississippi. For purposes of this paragraph, the term
9465 "socially and economically disadvantaged small business concern"
9466 shall have the meaning ascribed to such term under the Small
9467 Business Act (15 USCS, Section 637(a)) except that the net worth
9468 of the business may not be greater than Seven Hundred Fifty
9469 Thousand Dollars (\$750,000.00). Owned and controlled means a



9470 business in which one or more minorities own at least fifty-one
9471 percent (51%) or in the case of a corporation at least fifty-one
9472 percent (51%) of the voting stock and control at least fifty-one
9473 percent (51%) of the management and daily business operations of
9474 the business. The term "minority business enterprise supplier"
9475 does not include any medical cannabis establishment as defined in
9476 the Mississippi Medical Cannabis Act.

9477 (m) "Office" means the Office of Minority Business
9478 Enterprises of the Mississippi Development Authority.

9479 (n) "Procurement" means the purchase, lease, or rental
9480 of any goods or services.

9481 (o) "Commodities" means the various items described in
9482 Section 31-7-1(e).

9483 (p) "Professional services" means all personal service
9484 contracts utilized by state agencies and institutions.

9485 (q) "Small business" means a small business as defined
9486 by the Small Business Administration of the United States
9487 government which for purposes of size eligibility or other factors
9488 meets the applicable criteria set forth in Part 121 of Title 13 of
9489 the Code of Federal Regulations as amended, and which has its
9490 principal place of business in Mississippi.

9491 (r) "State agency" includes the State of Mississippi
9492 and all agencies, departments, offices, divisions, boards,
9493 commissions, and correctional and other types of institutions.
9494 "State agency" does not include the Mississippi Department of



Transportation nor the judicial or legislative branches of government except to the extent that procurement or public works for these branches is performed by a state agency.

SECTION 90. Section 57-71-5, Mississippi Code of 1972, is amended as follows:

57-71-5. The following words and phrases when used in this act shall have the meaning given to them in this section unless the context clearly indicates otherwise:

(a) "MBFC" or "company" means the Mississippi Business Finance Corporation.

(b) "Private company" means any agricultural, aquacultural, horticultural, industrial, manufacturing or research and development enterprise or enterprises, or the lessor thereof, or any commercial enterprise approved by the Mississippi Business Finance Corporation; however, the term "private company" shall not include any business, corporation or entity having a gaming license issued under Section 75-76-1 et seq., or any medical cannabis establishment as defined in the Mississippi Medical Cannabis Act.

(c) "Qualified financial institution" means any commercial bank or savings and loan institution approved by the Mississippi Business Finance Corporation to provide letters of credit under this act.



(d) "Letter of credit" means a letter of credit obligation from a qualified financial institution approved by the Mississippi Business Finance Corporation.

(e) "Planning and development districts" means the organized planning and development districts in Mississippi.

(f) "Director" means the Executive Director of the Mississippi Business Finance Corporation.

(g) "Seller" means the State Bond Commission.

SECTION 91. Section 57-73-21, Mississippi Code of 1972, is amended as follows:

[In cases involving business enterprises that received or applied for the job tax credit authorized by this section prior to January 1, 2005, this section shall read as follows:]

57-73-21. (1) Annually by December 31, using the most current data available from the University Research Center, Mississippi Department of Employment Security and the United States Department of Commerce, the State Tax Commission shall rank and designate the state's counties as provided in this section. The twenty-eight (28) counties in this state having a combination of the highest unemployment rate and lowest per capita income for the most recent thirty-six-month period, with equal weight being given to each category, are designated Tier Three areas. The twenty-seven (27) counties in the state with a combination of the next highest unemployment rate and next lowest per capita income for the most recent thirty-six-month period, with equal weight



9543 being given to each category, are designated Tier Two areas. The
9544 twenty-seven (27) counties in the state with a combination of the
9545 lowest unemployment rate and the highest per capita income for the
9546 most recent thirty-six-month period, with equal weight being given
9547 to each category, are designated Tier One areas. Counties
9548 designated by the Tax Commission qualify for the appropriate tax
9549 credit for jobs as provided in subsections (2), (3) and (4) of
9550 this section. The designation by the Tax Commission is effective
9551 for the tax years of permanent business enterprises which begin
9552 after the date of designation. For companies which plan an
9553 expansion in their labor forces, the Tax Commission shall
9554 prescribe certification procedures to ensure that the companies
9555 can claim credits in future years without regard to whether or not
9556 a particular county is removed from the list of Tier Three or Tier
9557 Two areas.

9558 (2) Permanent business enterprises primarily engaged in
9559 manufacturing, processing, warehousing, distribution, wholesaling
9560 and research and development, or permanent business enterprises
9561 designated by rule and regulation of the Mississippi Development
9562 Authority as air transportation and maintenance facilities, final
9563 destination or resort hotels having a minimum of one hundred fifty
9564 (150) guest rooms, recreational facilities that impact tourism,
9565 movie industry studios, telecommunications enterprises, data or
9566 information processing enterprises or computer software
9567 development enterprises or any technology intensive facility or



9568 enterprise, in counties designated by the Tax Commission as Tier
9569 Three areas are allowed a job tax credit for taxes imposed by
9570 Section 27-7-5 equal to Two Thousand Dollars (\$2,000.00) annually
9571 for each net new full-time employee job for five (5) years
9572 beginning with years two (2) through six (6) after the creation of
9573 the job; however, if the permanent business enterprise is located
9574 in an area that has been declared by the Governor to be a disaster
9575 area and as a direct result of the disaster the permanent business
9576 enterprise is unable to maintain the required number of jobs, the
9577 Chairman of the State Tax Commission may extend this time period
9578 for not more two (2) years. The number of new full-time jobs must
9579 be determined by comparing the monthly average number of full-time
9580 employees subject to the Mississippi income tax withholding for
9581 the taxable year with the corresponding period of the prior
9582 taxable year. Only those permanent businesses that increase
9583 employment by ten (10) or more in a Tier Three area are eligible
9584 for the credit. Credit is not allowed during any of the five (5)
9585 years if the net employment increase falls below ten (10). The
9586 Tax Commission shall adjust the credit allowed each year for the
9587 net new employment fluctuations above the minimum level of ten
9588 (10).

9589 (3) Permanent business enterprises primarily engaged in
9590 manufacturing, processing, warehousing, distribution, wholesaling
9591 and research and development, or permanent business enterprises
9592 designated by rule and regulation of the Mississippi Development



9593 Authority as air transportation and maintenance facilities, final
9594 destination or resort hotels having a minimum of one hundred fifty
9595 (150) guest rooms, recreational facilities that impact tourism,
9596 movie industry studios, telecommunications enterprises, data or
9597 information processing enterprises or computer software
9598 development enterprises or any technology intensive facility or
9599 enterprise, in counties that have been designated by the Tax
9600 Commission as Tier Two areas are allowed a job tax credit for
9601 taxes imposed by Section 27-7-5 equal to One Thousand Dollars
9602 (\$1,000.00) annually for each net new full-time employee job for
9603 five (5) years beginning with years two (2) through six (6) after
9604 the creation of the job; however, if the permanent business
9605 enterprise is located in an area that has been declared by the
9606 Governor to be a disaster area and as a direct result of the
9607 disaster the permanent business enterprise is unable to maintain
9608 the required number of jobs, the Chairman of the State Tax
9609 Commission may extend this time period for not more two (2) years.
9610 The number of new full-time jobs must be determined by comparing
9611 the monthly average number of full-time employees subject to
9612 Mississippi income tax withholding for the taxable year with the
9613 corresponding period of the prior taxable year. Only those
9614 permanent businesses that increase employment by fifteen (15) or
9615 more in Tier Two areas are eligible for the credit. The credit is
9616 not allowed during any of the five (5) years if the net employment
9617 increase falls below fifteen (15). The Tax Commission shall



9618 adjust the credit allowed each year for the net new employment
9619 fluctuations above the minimum level of fifteen (15).

9620 (4) Permanent business enterprises primarily engaged in
9621 manufacturing, processing, warehousing, distribution, wholesaling
9622 and research and development, or permanent business enterprises
9623 designated by rule and regulation of the Mississippi Development
9624 Authority as air transportation and maintenance facilities, final
9625 destination or resort hotels having a minimum of one hundred fifty
9626 (150) guest rooms, recreational facilities that impact tourism,
9627 movie industry studios, telecommunications enterprises, data or
9628 information processing enterprises or computer software
9629 development enterprises or any technology intensive facility or
9630 enterprise, in counties designated by the Tax Commission as Tier
9631 One areas are allowed a job tax credit for taxes imposed by
9632 Section 27-7-5 equal to Five Hundred Dollars (\$500.00) annually
9633 for each net new full-time employee job for five (5) years
9634 beginning with years two (2) through six (6) after the creation of
9635 the job; however, if the permanent business enterprise is located
9636 in an area that has been declared by the Governor to be a disaster
9637 area and as a direct result of the disaster the permanent business
9638 enterprise is unable to maintain the required number of jobs, the
9639 Chairman of the State Tax Commission may extend this time period
9640 for not more than two (2) years. The number of new full-time jobs
9641 must be determined by comparing the monthly average number of
9642 full-time employees subject to Mississippi income tax withholding



9643 for the taxable year with the corresponding period of the prior
9644 taxable year. Only those permanent businesses that increase
9645 employment by twenty (20) or more in Tier One areas are eligible
9646 for the credit. The credit is not allowed during any of the five
9647 (5) years if the net employment increase falls below twenty (20).
9648 The Tax Commission shall adjust the credit allowed each year for
9649 the net new employment fluctuations above the minimum level of
9650 twenty (20).

9651 (5) In addition to the credits authorized in subsections
9652 (2), (3) and (4), an additional Five Hundred Dollars (\$500.00)
9653 credit for each net new full-time employee or an additional One
9654 Thousand Dollars (\$1,000.00) credit for each net new full-time
9655 employee who is paid a salary, excluding benefits which are not
9656 subject to Mississippi income taxation, of at least one hundred
9657 twenty-five percent (125%) of the average annual wage of the state
9658 or an additional Two Thousand Dollars (\$2,000.00) credit for each
9659 net new full-time employee who is paid a salary, excluding
9660 benefits which are not subject to Mississippi income taxation, of
9661 at least two hundred percent (200%) of the average annual wage of
9662 the state, shall be allowed for any company establishing or
9663 transferring its national or regional headquarters from within or
9664 outside the State of Mississippi. A minimum of thirty-five (35)
9665 jobs must be created to qualify for the additional credit. The
9666 State Tax Commission shall establish criteria and prescribe
9667 procedures to determine if a company qualifies as a national or



9668 regional headquarters for purposes of receiving the credit awarded
9669 in this subsection. As used in this subsection, the average
9670 annual wage of the state is the most recently published average
9671 annual wage as determined by the Mississippi Department of
9672 Employment Security.

9673 (6) In addition to the credits authorized in subsections
9674 (2), (3), (4) and (5), any job requiring research and development
9675 skills (chemist, engineer, etc.) shall qualify for an additional
9676 One Thousand Dollars (\$1,000.00) credit for each net new full-time
9677 employee.

9678 (7) In lieu of the tax credits provided in subsections (2)
9679 through (6), any commercial or industrial property owner which
9680 remediates contaminated property in accordance with Sections
9681 49-35-1 through 49-35-25, is allowed a job tax credit for taxes
9682 imposed by Section 27-7-5 equal to the amounts provided in
9683 subsection (2), (3) or (4) for each net new full-time employee job
9684 for five (5) years beginning with years two (2) through six (6)
9685 after the creation of the job. The number of new full-time jobs
9686 must be determined by comparing the monthly average number of
9687 full-time employees subject to Mississippi income tax withholding
9688 for the taxable year with the corresponding period of the prior
9689 taxable year. This subsection shall be administered in the same
9690 manner as subsections (2), (3) and (4), except the landowner shall
9691 not be required to increase employment by the levels provided in
9692 subsections (2), (3) and (4) to be eligible for the tax credit.



9693 (8) Tax credits for five (5) years for the taxes imposed by
9694 Section 27-7-5 shall be awarded for additional net new full-time
9695 jobs created by business enterprises qualified under subsections
9696 (2), (3), (4), (5), (6) and (7) of this section. Except as
9697 otherwise provided, the Tax Commission shall adjust the credit
9698 allowed in the event of employment fluctuations during the
9699 additional five (5) years of credit.

9700 (9) (a) The sale, merger, acquisition, reorganization,
9701 bankruptcy or relocation from one (1) county to another county
9702 within the state of any business enterprise may not create new
9703 eligibility in any succeeding business entity, but any unused job
9704 tax credit may be transferred and continued by any transferee of
9705 the business enterprise. The Tax Commission shall determine
9706 whether or not qualifying net increases or decreases have occurred
9707 or proper transfers of credit have been made and may require
9708 reports, promulgate regulations, and hold hearings as needed for
9709 substantiation and qualification.

9710 (b) This subsection shall not apply in cases in which a
9711 business enterprise has ceased operation, laid off all its
9712 employees and is subsequently acquired by another unrelated
9713 business entity that continues operation of the enterprise in the
9714 same or a similar type of business. In such a case the succeeding
9715 business entity shall be eligible for the credit authorized by
9716 this section unless the cessation of operation of the business



9717 enterprise was for the purpose of obtaining new eligibility for
9718 the credit.

9719 (10) Any tax credit claimed under this section but not used
9720 in any taxable year may be carried forward for five (5) years from
9721 the close of the tax year in which the qualified jobs were
9722 established but the credit established by this section taken in
9723 any one (1) tax year must be limited to an amount not greater than
9724 fifty percent (50%) of the taxpayer's state income tax liability
9725 which is attributable to income derived from operations in the
9726 state for that year. If the permanent business enterprise is
9727 located in an area that has been declared by the Governor to be a
9728 disaster area and as a direct result of the disaster the business
9729 enterprise is unable to use the existing carryforward, the
9730 Chairman of the State Tax Commission may extend the period that
9731 the credit may be carried forward for a period of time not to
9732 exceed two (2) years.

9733 (11) No business enterprise for the transportation,
9734 handling, storage, processing or disposal of hazardous waste is
9735 eligible to receive the tax credits provided in this section.

9736 (12) The credits allowed under this section shall not be
9737 used by any business enterprise or corporation other than the
9738 business enterprise actually qualifying for the credits.

9739 (13) The tax credits provided for in this section shall be
9740 in addition to any tax credits described in Sections 57-51-13(b),
9741 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official



9742 action by the Mississippi Development Authority prior to July 1,
9743 1989, to any business enterprise determined prior to July 1, 1989,
9744 by the Mississippi Development Authority to be a qualified
9745 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or
9746 a qualified company as described in Section 57-53-1, as the case
9747 may be; however, from and after July 1, 1989, tax credits shall be
9748 allowed only under either this section or Sections 57-51-13(b),
9749 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time
9750 employee.

9751 (14) As used in this section, the term "telecommunications
9752 enterprises" means entities engaged in the creation, display,
9753 management, storage, processing, transmission or distribution for
9754 compensation of images, text, voice, video or data by wire or by
9755 wireless means, or entities engaged in the construction, design,
9756 development, manufacture, maintenance or distribution for
9757 compensation of devices, products, software or structures used in
9758 the above activities. Companies organized to do business as
9759 commercial broadcast radio stations, television stations or news
9760 organizations primarily serving in-state markets shall not be
9761 included within the definition of the term "telecommunications
9762 enterprises."

9763 **[In cases involving business enterprises that apply for the**
9764 **job tax credit authorized by this section from and after January**
9765 **1, 2005, this section shall read as follows:]**



57-73-21. (1) Annually by December 31, using the most current data available from the University Research Center, Mississippi Department of Employment Security and the United States Department of Commerce, the Department of Revenue shall rank and designate the state's counties as provided in this section. The twenty-eight (28) counties in this state having a combination of the highest unemployment rate and lowest per capita income for the most recent thirty-six-month period, with equal weight being given to each category, are designated Tier Three areas. The twenty-seven (27) counties in the state with a combination of the next highest unemployment rate and next lowest per capita income for the most recent thirty-six-month period, with equal weight being given to each category, are designated Tier Two areas. The twenty-seven (27) counties in the state with a combination of the lowest unemployment rate and the highest per capita income for the most recent thirty-six-month period, with equal weight being given to each category, are designated Tier One areas. Counties designated by the Department of Revenue qualify for the appropriate tax credit for jobs as provided in this section. The designation by the Department of Revenue is effective for the tax years of permanent business enterprises which begin after the date of designation. For companies which plan an expansion in their labor forces, the Department of Revenue shall prescribe certification procedures to ensure that the companies can claim credits in future years without regard to



9791 whether or not a particular county is removed from the list of
9792 Tier Three or Tier Two areas.

9793 (2) Permanent business enterprises in counties designated by
9794 the Department of Revenue as Tier Three areas are allowed a job
9795 tax credit for taxes imposed by Section 27-7-5 equal to ten
9796 percent (10%) of the payroll of the enterprise for net new
9797 full-time employee jobs for five (5) years beginning with years
9798 two (2) through six (6) after the creation of the minimum number
9799 of jobs required by this subsection; however, if the permanent
9800 business enterprise is located in an area that has been declared
9801 by the Governor to be a disaster area and as a direct result of
9802 the disaster the permanent business enterprise is unable to
9803 maintain the required number of jobs, the Commissioner of Revenue
9804 may extend this time period for not more than two (2) years. The
9805 number of new full-time jobs must be determined by comparing the
9806 monthly average number of full-time employees subject to the
9807 Mississippi income tax withholding for the taxable year with the
9808 corresponding period of the prior taxable year. Only those
9809 permanent business enterprises that increase employment by ten
9810 (10) or more in a Tier Three area are eligible for the credit.
9811 Credit is not allowed during any of the five (5) years if the net
9812 employment increase falls below ten (10). The Department of
9813 Revenue shall adjust the credit allowed each year for the net new
9814 employment fluctuations above the minimum level of ten (10).
9815 Medical cannabis establishments as defined in the Mississippi



9816 Medical Cannabis Act shall not be eligible for the tax credit
9817 authorized in this subsection (2).

9818 (3) Permanent business enterprises in counties that have
9819 been designated by the Department of Revenue as Tier Two areas are
9820 allowed a job tax credit for taxes imposed by Section 27-7-5 equal
9821 to five percent (5%) of the payroll of the enterprise for net new
9822 full-time employee jobs for five (5) years beginning with years
9823 two (2) through six (6) after the creation of the minimum number
9824 of jobs required by this subsection; however, if the permanent
9825 business enterprise is located in an area that has been declared
9826 by the Governor to be a disaster area and as a direct result of
9827 the disaster the permanent business enterprise is unable to
9828 maintain the required number of jobs, the Commissioner of Revenue
9829 may extend this time period for not more than two (2) years. The
9830 number of new full-time jobs must be determined by comparing the
9831 monthly average number of full-time employees subject to
9832 Mississippi income tax withholding for the taxable year with the
9833 corresponding period of the prior taxable year. Only those
9834 permanent business enterprises that increase employment by fifteen
9835 (15) or more in Tier Two areas are eligible for the credit. The
9836 credit is not allowed during any of the five (5) years if the net
9837 employment increase falls below fifteen (15). The Department of
9838 Revenue shall adjust the credit allowed each year for the net new
9839 employment fluctuations above the minimum level of fifteen (15).
9840 Medical cannabis establishments as defined in the Mississippi



9841 Medical Cannabis Act shall not be eligible for the tax credit
9842 authorized in this subsection (3).

9843 (4) Permanent business enterprises in counties designated by
9844 the Department of Revenue as Tier One areas are allowed a job tax
9845 credit for taxes imposed by Section 27-7-5 equal to two and
9846 one-half percent (2.5%) of the payroll of the enterprise for net
9847 new full-time employee jobs for five (5) years beginning with
9848 years two (2) through six (6) after the creation of the minimum
9849 number of jobs required by this subsection; however, if the
9850 permanent business enterprise is located in an area that has been
9851 declared by the Governor to be a disaster area and as a direct
9852 result of the disaster the permanent business enterprise is unable
9853 to maintain the required number of jobs, the Commissioner of
9854 Revenue may extend this time period for not more than two (2)
9855 years. The number of new full-time jobs must be determined by
9856 comparing the monthly average number of full-time employees
9857 subject to Mississippi income tax withholding for the taxable year
9858 with the corresponding period of the prior taxable year. Only
9859 those permanent business enterprises that increase employment by
9860 twenty (20) or more in Tier One areas are eligible for the credit.
9861 The credit is not allowed during any of the five (5) years if the
9862 net employment increase falls below twenty (20). The Department
9863 of Revenue shall adjust the credit allowed each year for the net
9864 new employment fluctuations above the minimum level of twenty
9865 (20). Medical cannabis establishments as defined in the



9866 Mississippi Medical Cannabis Act shall not be eligible for the tax
9867 credit authorized in this subsection (4).

9868 (5) (a) In addition to the other credits authorized in this
9869 section, an additional Five Hundred Dollars (\$500.00) credit for
9870 each net new full-time employee or an additional One Thousand
9871 Dollars (\$1,000.00) credit for each net new full-time employee who
9872 is paid a salary, excluding benefits which are not subject to
9873 Mississippi income taxation, of at least one hundred twenty-five
9874 percent (125%) of the average annual wage of the state or an
9875 additional Two Thousand Dollars (\$2,000.00) credit for each net
9876 new full-time employee who is paid a salary, excluding benefits
9877 which are not subject to Mississippi income taxation, of at least
9878 two hundred percent (200%) of the average annual wage of the
9879 state, shall be allowed for any company establishing or
9880 transferring its national or regional headquarters from within or
9881 outside the State of Mississippi. A minimum of twenty (20) jobs
9882 must be created to qualify for the additional credit. The
9883 Department of Revenue shall establish criteria and prescribe
9884 procedures to determine if a company qualifies as a national or
9885 regional headquarters for purposes of receiving the credit awarded
9886 in this paragraph (a). As used in this paragraph (a), the average
9887 annual wage of the state is the most recently published average
9888 annual wage as determined by the Mississippi Department of
9889 Employment Security. Medical cannabis establishments as defined



9890 in the Mississippi Medical Cannabis Act shall not be eligible for
9891 the tax credit authorized in this paragraph (a).

9892 (b) In addition to the other credits authorized in this
9893 section, an additional Five Hundred Dollars (\$500.00) credit for
9894 each net new full-time employee or an additional One Thousand
9895 Dollars (\$1,000.00) credit for each net new full-time employee who
9896 is paid a salary, excluding benefits which are not subject to
9897 Mississippi income taxation, of at least one hundred twenty-five
9898 percent (125%) of the average annual wage of the state or an
9899 additional Two Thousand Dollars (\$2,000.00) credit for each net
9900 new full-time employee who is paid a salary, excluding benefits
9901 which are not subject to Mississippi income taxation, of at least
9902 two hundred percent (200%) of the average annual wage of the
9903 state, shall be allowed for any company expanding or making
9904 additions after January 1, 2013, to its national or regional
9905 headquarters within the State of Mississippi. A minimum of twenty
9906 (20) new jobs must be created to qualify for the additional
9907 credit. The Department of Revenue shall establish criteria and
9908 prescribe procedures to determine if a company qualifies as a
9909 national or regional headquarters for purposes of receiving the
9910 credit awarded in this paragraph (b). As used in this paragraph
9911 (b), the average annual wage of the state is the most recently
9912 published average annual wage as determined by the Mississippi
9913 Department of Employment Security. Medical cannabis
9914 establishments as defined in the Mississippi Medical Cannabis Act



9915 shall not be eligible for the tax credit authorized in this
9916 paragraph (b).

9917 (6) In addition to the other credits authorized in this
9918 section, any job requiring research and development skills
9919 (chemist, engineer, etc.) shall qualify for an additional One
9920 Thousand Dollars (\$1,000.00) credit for each net new full-time
9921 employee. Medical cannabis establishments as defined in the
9922 Mississippi Medical Cannabis Act shall not be eligible for the tax
9923 credit authorized in this subsection (6).

9924 (7) (a) In addition to the other credits authorized in this
9925 section, any company that transfers or relocates its national or
9926 regional headquarters to the State of Mississippi from outside the
9927 State of Mississippi may receive a tax credit in an amount equal
9928 to the actual relocation costs paid by the company. A minimum of
9929 twenty (20) jobs must be created in order to qualify for the
9930 additional credit authorized under this subsection. Relocation
9931 costs for which a credit may be awarded shall be determined by the
9932 Department of Revenue and shall include those nondepreciable
9933 expenses that are necessary to relocate headquarters employees to
9934 the national or regional headquarters, including, but not limited
9935 to, costs such as travel expenses for employees and members of
9936 their households to and from Mississippi in search of homes and
9937 moving expenses to relocate furnishings, household goods and
9938 personal property of the employees and members of their
9939 households. Medical cannabis establishments as defined in the



9940 Mississippi Medical Cannabis Act shall not be eligible for the tax
9941 credit authorized in this subsection (7).

9942 (b) The tax credit authorized under this subsection
9943 shall be applied for the taxable year in which the relocation
9944 costs are paid. The maximum cumulative amount of tax credits that
9945 may be claimed by all taxpayers claiming a credit under this
9946 subsection in any one (1) state fiscal year shall not exceed One
9947 Million Dollars (\$1,000,000.00), exclusive of credits that might
9948 be carried forward from previous taxable years. A company may not
9949 receive a credit for the relocation of an employee more than one
9950 (1) time in a twelve-month period for that employee.

9951 (c) The Department of Revenue shall establish criteria
9952 and prescribe procedures to determine if a company creates the
9953 required number of jobs and qualifies as a national or regional
9954 headquarters for purposes of receiving the credit awarded in this
9955 subsection. A company desiring to claim a credit under this
9956 subsection must submit an application for such credit with the
9957 Department of Revenue in a manner prescribed by the department.

9958 (d) In order to participate in the provisions of this
9959 section, a company must certify to the Mississippi Department of
9960 Revenue that it complies with the equal pay provisions of the
9961 federal Equal Pay Act of 1963, the Americans with Disabilities Act
9962 of 1990 and the fair pay provisions of the Civil Rights Act of
9963 1964.



9964 (e) This subsection shall stand repealed on July 1,
9965 2022.

9966 (8) In lieu of the other tax credits provided in this
9967 section, any commercial or industrial property owner which
9968 remediates contaminated property in accordance with Sections
9969 49-35-1 through 49-35-25, is allowed a job tax credit for taxes
9970 imposed by Section 27-7-5 equal to the percentage of payroll
9971 provided in subsection (2), (3) or (4) of this section for net new
9972 full-time employee jobs for five (5) years beginning with years
9973 two (2) through six (6) after the creation of the jobs. The
9974 number of new full-time jobs must be determined by comparing the
9975 monthly average number of full-time employees subject to
9976 Mississippi income tax withholding for the taxable year with the
9977 corresponding period of the prior taxable year. This subsection
9978 shall be administered in the same manner as subsections (2), (3)
9979 and (4), except the landowner shall not be required to increase
9980 employment by the levels provided in subsections (2), (3) and (4)
9981 to be eligible for the tax credit.

9982 (9) (a) Tax credits for five (5) years for the taxes
9983 imposed by Section 27-7-5 shall be awarded for increases in the
9984 annual payroll for net new full-time jobs created by business
9985 enterprises qualified under this section. The Department of
9986 Revenue shall adjust the credit allowed in the event of payroll
9987 fluctuations during the additional five (5) years of credit.



9988 (b) Tax credits for five (5) years for the taxes
9989 imposed by Section 27-7-5 shall be awarded for additional net new
9990 full-time jobs created by business enterprises qualified under
9991 subsections (5) and (6) of this section and for additional
9992 relocation costs paid by companies qualified under subsection (7)
9993 of this section. The Department of Revenue shall adjust the
9994 credit allowed in the event of employment fluctuations during the
9995 additional five (5) years of credit.

9996 (10) (a) The sale, merger, acquisition, reorganization,
9997 bankruptcy or relocation from one (1) county to another county
9998 within the state of any business enterprise may not create new
9999 eligibility in any succeeding business entity, but any unused job
10000 tax credit may be transferred and continued by any transferee of
10001 the business enterprise. The Department of Revenue shall
10002 determine whether or not qualifying net increases or decreases
10003 have occurred or proper transfers of credit have been made and may
10004 require reports, promulgate regulations, and hold hearings as
10005 needed for substantiation and qualification.

10006 (b) This subsection shall not apply in cases in which a
10007 business enterprise has ceased operation, laid off all its
10008 employees and is subsequently acquired by another unrelated
10009 business entity that continues operation of the enterprise in the
10010 same or a similar type of business. In such a case the succeeding
10011 business entity shall be eligible for the credit authorized by
10012 this section unless the cessation of operation of the business



10013 enterprise was for the purpose of obtaining new eligibility for
10014 the credit.

10015 (11) Any tax credit claimed under this section but not used
10016 in any taxable year may be carried forward for five (5) years from
10017 the close of the tax year in which the qualified jobs were
10018 established and/or headquarters relocation costs paid, as
10019 applicable, but the credit established by this section taken in
10020 any one (1) tax year must be limited to an amount not greater than
10021 fifty percent (50%) of the taxpayer's state income tax liability
10022 which is attributable to income derived from operations in the
10023 state for that year. If the permanent business enterprise is
10024 located in an area that has been declared by the Governor to be a
10025 disaster area and as a direct result of the disaster the business
10026 enterprise is unable to use the existing carryforward, the
10027 Commissioner of Revenue may extend the period that the credit may
10028 be carried forward for a period of time not to exceed two (2)
10029 years.

10030 (12) No business enterprise for the transportation,
10031 handling, storage, processing or disposal of hazardous waste is
10032 eligible to receive the tax credits provided in this section.

10033 (13) The credits allowed under this section shall not be
10034 used by any business enterprise or corporation other than the
10035 business enterprise actually qualifying for the credits.

10036 (14) As used in this section:



10037 (a) "Business enterprises" means entities primarily
10038 engaged in:
10039 (i) Manufacturing, processing, warehousing,
10040 warehousing activities, distribution, wholesaling and research and
10041 development, or
10042 (ii) Permanent business enterprises designated by
10043 rule and regulation of the Mississippi Development Authority as
10044 air transportation and maintenance facilities, final destination
10045 or resort hotels having a minimum of one hundred fifty (150) guest
10046 rooms, recreational facilities that impact tourism, movie industry
10047 studios, telecommunications enterprises, data or information
10048 processing enterprises or computer software development
10049 enterprises or any technology intensive facility or enterprise.
10050 (b) "Telecommunications enterprises" means entities
10051 engaged in the creation, display, management, storage, processing,
10052 transmission or distribution for compensation of images, text,
10053 voice, video or data by wire or by wireless means, or entities
10054 engaged in the construction, design, development, manufacture,
10055 maintenance or distribution for compensation of devices, products,
10056 software or structures used in the above activities. Companies
10057 organized to do business as commercial broadcast radio stations,
10058 television stations or news organizations primarily serving
10059 in-state markets shall not be included within the definition of
10060 the term "telecommunications enterprises."



10061 (c) "Warehousing activities" means entities that
10062 establish or expand facilities that service and support multiple
10063 retail or wholesale locations within and outside the state.
10064 Warehousing activities may be performed solely to support the
10065 primary activities of the entity, and credits generated shall
10066 offset the income of the entity based on an apportioned ratio of
10067 payroll for warehouse employees of the entity to total Mississippi
10068 payroll of the entity that includes the payroll of retail
10069 employees of the entity.

10070 (15) The tax credits provided for in this section shall be
10071 in addition to any tax credits described in Sections 57-51-13(b),
10072 57-53-1(1)(a) and 57-54-9(b) and granted pursuant to official
10073 action by the Mississippi Development Authority prior to July 1,
10074 1989, to any business enterprise determined prior to July 1, 1989,
10075 by the Mississippi Development Authority to be a qualified
10076 business as defined in Section 57-51-5(f) or Section 57-54-5(d) or
10077 a qualified company as described in Section 57-53-1, as the case
10078 may be; however, from and after July 1, 1989, tax credits shall be
10079 allowed only under either this section or Sections 57-51-13(b),
10080 57-53-1(1)(a) and Section 57-54-9(b) for each net new full-time
10081 employee.

10082 (16) A business enterprise that chooses to receive job
10083 training assistance pursuant to Section 57-1-451 shall not be
10084 eligible for the tax credits provided for in this section.



SECTION 92. Section 57-80-5, Mississippi Code of 1972, is amended as follows:

57-80-5. As used in this chapter, the following words and phrases shall have the meanings ascribed herein unless the context clearly indicates otherwise:

(a) "Approved business enterprise" means any business enterprise seeking to locate or expand in a growth and prosperity county, which business enterprise is approved by the MDA.

(b) "Business enterprise" means any new or expanded (i) industry for the manufacturing, processing, assembling, storing, warehousing, servicing, distributing or selling of any products or goods, including products of agriculture; (ii) enterprises for research and development, including, but not limited to, scientific laboratories; or (iii) such other businesses or industry as will be in furtherance of the public purposes of this chapter as determined by the MDA and which creates a minimum of ten (10) jobs. "Business enterprise" does not include retail or gaming businesses or electrical generation facilities, or medical cannabis establishments as defined in the Mississippi Medical Cannabis Act.

(c) "Eligible supervisors district" means:

(i) A supervisors district:

1. As such district exists on January 1, 2001, in which thirty percent (30%) or more of such district's population as of June 30, 2000, is at or below the federal poverty



10110 level according to the official data compiled by the United States
10111 Census Bureau as of June 30, 2000, or the official 1990 census
10112 poverty rate data (the official 1990 census poverty rate data
10113 shall not be used to make any such determination after December
10114 31, 2002); or

10115 2. In which thirty percent (30%) or more of
10116 such district's population is at or below the federal poverty
10117 level according to the latest official data compiled by the United
10118 States Census Bureau;

10119 (ii) Which is contiguous to a county that meets
10120 the criteria of Section 57-80-7(1)(b); and

10121 (iii) Which is located in a county which has been
10122 issued a certificate of public convenience and necessity under
10123 this chapter.

10124 (d) "Growth and prosperity counties" means those
10125 counties which meet the requirements of this chapter and which
10126 have by resolution or order given its consent to participate in
10127 the Growth and Prosperity Program.

10128 (e) "Local tax" means any county or municipal ad
10129 valorem tax imposed on the approved business enterprise pursuant
10130 to law, except the school portion of the tax and any portion of
10131 the tax imposed to pay the cost of providing fire and police
10132 protection.

10133 (f) "Local taxing authority" means any county or
10134 municipality which by resolution or order has given its consent to



10135 participate in the Growth and Prosperity Program acting through
10136 its respective board of supervisors or the municipal governing
10137 board, council, commission or other legal authority.

10138 (g) "MDA" means the Mississippi Development Authority.

10139 (h) "State tax" means:

10140 (i) Any sales and use tax imposed on the business
10141 enterprise pursuant to law related to the purchase of component
10142 building materials and equipment for initial construction of
10143 facilities or expansion of facilities in a growth and prosperity
10144 county or supervisors districts, as the case may be;

10145 (ii) All income tax imposed pursuant to law on
10146 income earned by the business enterprise in a growth and
10147 prosperity county, or supervisors district, as the case may be;

10148 (iii) Franchise tax imposed pursuant to law on the
10149 value of capital used, invested or employed by the business
10150 enterprise in a growth and prosperity county, or supervisors
10151 district, as the case may be; and

10152 (iv) Any sales and use tax imposed on the lease of
10153 machinery and equipment acquired in the initial construction to
10154 establish the facility or for an expansion, including, but not
10155 limited to, leases in existence prior to January 1, 2001, as
10156 certified by the MDA, in a growth and prosperity county, or
10157 supervisors district, as the case may be.

10158 **SECTION 93.** Section 57-85-5, Mississippi Code of 1972, is
10159 amended as follows:



10160 57-85-5. (1) For the purposes of this section, the
10161 following words and phrases shall have the meanings ascribed in
10162 this section unless the context clearly indicates otherwise:

10163 (a) "MDA" means the Mississippi Development Authority.

10164 (b) "Project" means construction, rehabilitation or
10165 repair of buildings; sewer systems and transportation directly
10166 affecting the site of the proposed rural business; sewer
10167 facilities, acquisition of real property, development of real
10168 property, improvements to real property, and any other project
10169 approved by the Mississippi Development Authority. The term
10170 "project" does not include any medical cannabis establishment as
10171 defined in the Mississippi Medical Cannabis Act.

10172 (c) "Rural business" means a new or existing business
10173 located or to be located in a rural community or a business or
10174 industry located or to be located within five (5) miles of a rural
10175 community. "Rural business" does not include gaming businesses or
10176 utility businesses, or medical cannabis establishments as defined
10177 in the Mississippi Medical Cannabis Act.

10178 (d) "Rural community" means a county in the State of
10179 Mississippi that meets the population criteria for the term
10180 "limited population county" as provided in Section 57-1-18.
10181 "Rural community" also means a municipality in the State of
10182 Mississippi that meets the population criteria for the term "small
10183 municipality" as provided in Section 57-1-18.



10184 (2) (a) There is created in the State Treasury a special
10185 fund to be designated as the "Mississippi Rural Impact Fund,"
10186 which shall consist of funds appropriated or otherwise made
10187 available by the Legislature in any manner and funds from any
10188 other source designated for deposit into such fund. Unexpended
10189 amounts remaining in the fund at the end of a fiscal year shall
10190 not lapse into the State General Fund, and any investment earnings
10191 or interest earned on amounts in the fund shall be deposited to
10192 the credit of the fund. Monies in the fund shall be used to make
10193 grants and loans to rural communities and loan guaranties on
10194 behalf of rural businesses to assist in completing projects under
10195 this section.

10196 (b) Monies in the fund which are derived from proceeds
10197 of bonds issued after April 15, 2003, may be used to reimburse
10198 reasonable actual and necessary costs incurred by the MDA for the
10199 administration of the various grant, loan and financial incentive
10200 programs administered by the MDA. An accounting of actual costs
10201 incurred for which reimbursement is sought shall be maintained by
10202 the MDA. Reimbursement of reasonable actual and necessary costs
10203 shall not exceed three percent (3%) of the proceeds of bonds
10204 issued. Reimbursements under this paragraph (b) shall satisfy any
10205 applicable federal tax law requirements.

10206 (c) The MDA may use monies in the fund to pay for the
10207 services of architects, engineers, attorneys and such other
10208 advisors, consultants and agents that the MDA determines are



10209 necessary to review loan and grant applications and to implement
10210 and administer the program established under this section.

10211 (d) The State Auditor may conduct performance and
10212 compliance audits under this chapter according to Section
10213 7-7-211(o) and may bill the oversight agency.

10214 (3) The MDA shall establish a program to make grants and
10215 loans to rural communities and loan guaranties on behalf of rural
10216 businesses from the Mississippi Rural Impact Fund. A rural
10217 community may apply to the MDA for a grant or loan under this
10218 section in the manner provided for in this section. A rural
10219 business may apply to the MDA for a loan guaranty under this
10220 section in the manner provided in this section.

10221 (4) A rural community desiring assistance under this section
10222 must submit an application to the MDA. The application must
10223 include a description of the project for which assistance is
10224 requested, the cost of the project for which assistance is
10225 requested and any other information required by the MDA. A rural
10226 business desiring assistance under this section must submit an
10227 application to the MDA. The application must include a
10228 description of the purpose for which assistance is requested and
10229 any other information required by the MDA. The MDA may waive any
10230 requirements of the program established under this section in
10231 order to expedite funding for unique projects.

10232 (5) The MDA shall have all powers necessary to implement and
10233 administer the program established under this section, and the MDA



10234 shall promulgate rules and regulations, in accordance with the
10235 Mississippi Administrative Procedures Law, necessary for the
10236 implementation of this section.

10237 **SECTION 94.** Section 57-91-5, Mississippi Code of 1972, is
10238 amended as follows:

10239 57-91-5. As used in this chapter, the following words and
10240 phrases shall have the meanings ascribed herein unless the context
10241 clearly indicates otherwise:

10242 (a) "Business enterprise" means any permanent business
10243 enterprise locating or relocating within a redevelopment project
10244 area, including, without limitation:

10245 (i) Industry for the manufacturing, processing,
10246 assembling, storing, warehousing, servicing, distributing or
10247 selling of any products or goods, including products of
10248 agriculture;

10249 (ii) Enterprises for research and development,
10250 including, but not limited to, scientific laboratories;

10251 (iii) Industry for the retail sale of goods and
10252 services;

10253 (iv) The industry for recreation and hospitality,
10254 including, but not limited to, restaurants, hotels and sports
10255 facilities; and

10256 (v) Such other businesses or industry as will be
10257 in furtherance of the public purposes of this chapter as
10258 determined by the MDA.



10259 The term "business enterprise" shall not include gaming
10260 businesses, or medical cannabis establishments as defined in the
10261 Mississippi Medical Cannabis Act.

10262 (b) "Contaminated site" means real property that is
10263 either (i) subject to a bankruptcy court order in which the
10264 property has been abandoned from the bankruptcy estate, or (ii)
10265 Brownfield property that is subject to a Brownfield agreement
10266 under Section 49-35-11, and the expansion, redevelopment or reuse
10267 of which is complicated by the presence or potential presence of a
10268 hazardous substance, pollutant or contaminant.

10269 (c) "County" means any county of this state.

10270 (d) "Developer" means any person who assumes certain
10271 environmental liability at a contaminated site and enters into an
10272 agreement with a redevelopment county or municipality whereby the
10273 developer agrees to undertake a redevelopment project. "Developer
10274 agreement" means said agreement.

10275 (e) "Governing body" means the board of supervisors of
10276 any county or the governing board of a municipality.

10277 (f) "Law" means any act or statute, general, special or
10278 local, of this state.

10279 (g) "MDA" means the Mississippi Development Authority.

10280 (h) "MDEQ" means the Mississippi Department of
10281 Environmental Quality.

10282 (i) "Municipality" means any incorporated municipality
10283 in the state.



10284 (j) "Person" means a natural person, partnership,
10285 association, corporation, business trust or other business entity.

10286 (k) "Redevelopment counties and municipalities" means
10287 those counties or municipalities which meet the requirements of
10288 this chapter and which have by resolution or order designated a
10289 redevelopment project area and given its consent to participate in
10290 the program established under this chapter.

10291 (l) "Redevelopment project" means a project that
10292 combines remediation of a contaminated site with the planned
10293 development of such site and surrounding land in a manner
10294 conducive to use by the public or business enterprises including
10295 the construction of recreational facilities.

10296 (m) "Redevelopment project area" means the geographic
10297 area defined by resolution of the county or municipality within
10298 which the remediation and planned development will take place
10299 containing the contaminated site and additional surrounding and
10300 adjacent land and waterfront, not exceeding six hundred fifty
10301 (650) acres, suitable for development.

10302 (n) "Resolution" means an order, resolution, ordinance,
10303 act, record of minutes or other appropriate enactment of a
10304 governing body.

10305 (o) "State taxes and fees" means any sales tax imposed
10306 on the sales or certain purchases by a business enterprise
10307 pursuant to law within a redevelopment project area, all income
10308 tax imposed pursuant to law on income earned by the approved



10309 business enterprise within a redevelopment project area and all
10310 franchise tax imposed pursuant to law on the value of capital
10311 used, invested or employed by the approved business enterprise in
10312 a redevelopment project area.

10313 **SECTION 95.** Section 57-117-3, Mississippi Code of 1972, is
10314 amended as follows:

10315 57-117-3. In this chapter:

10316 (a) "Health care industry facility" means:

10317 (i) A business engaged in the research and
10318 development of pharmaceuticals, biologics, biotechnology,
10319 diagnostic imaging, medical supplies, medical equipment or
10320 medicine and related manufacturing or processing, medical service
10321 providers, medical product distribution, or laboratory testing
10322 that creates a minimum of twenty-five (25) new full-time jobs
10323 and/or Ten Million Dollars (\$10,000,000.00) of capital investment
10324 after July 1, 2012; or

10325 (ii) A business that * * * 1. is located on land
10326 owned by or leased from an academic health science center with a
10327 medical school accredited by the Liaison Committee on Medical
10328 Education and a hospital accredited by the Joint Committee on
10329 Accreditation of Healthcare Organizations and * * * 2. creates a
10330 minimum of twenty-five (25) new jobs and/or Twenty Million Dollars
10331 (\$20,000,000.00) of capital investment after July 1, 2012.



10332 The term "health care industry facility" does not include any
10333 medical cannabis establishment as defined in the Mississippi
10334 Medical Cannabis Act.

10335 (b) "MDA" means the Mississippi Development Authority.

10336 (c) "Health care industry zone" means a geographical
10337 area certified by the MDA as provided for in Section 57-117-5.

10338 (d) "Local government unit" means any county or
10339 incorporated city, town or village in the State of Mississippi.

10340 (e) "Person" means a natural person, partnership,
10341 limited liability company, association, corporation, business
10342 trust or other business entity.

10343 (f) "Qualified business" means a business or health
10344 care industry facility that meets the requirements of Section
10345 57-117-7 and any other requirements of this chapter. The term
10346 "qualified business" does not include any medical cannabis
10347 establishment as defined in the Mississippi Medical Cannabis Act.

10348 **SECTION 96.** Section 57-119-11, Mississippi Code of 1972, is
10349 amended as follows:

10350 57-119-11. (1) MDA is further authorized, on such terms and
10351 conditions consistent with the criteria set forth in this section
10352 as it may determine, to establish programs for making loans, loan
10353 guarantees, grants and any other financial assistance from the
10354 GCRF to applicants whose projects are approved for assistance
10355 under this section. MDA shall establish criteria, rules and
10356 procedures for accepting, reviewing, granting or denying



10357 applications, and for terms and conditions of financial assistance
10358 under this section in accordance with state law. The Legislature
10359 shall appropriate monies from the GCRF to the MDA to fund the
10360 programs established under this section in an amount requested
10361 annually by MDA for such purpose.

10362 (2) Applicants who are eligible for assistance under this
10363 section include, but are not limited to, local units of
10364 government, nongovernmental organizations, institutions of higher
10365 learning, community colleges, ports, airports, public-private
10366 partnerships, private for-profit entities, private nonprofit
10367 entities, and local economic development entities.

10368 (3) MDA shall establish programs and an application process
10369 to provide assistance to applicants under this section that
10370 prioritize:

10371 (a) Projects that will impact the long-term
10372 competitiveness of the region and may result in a significant
10373 positive impact on tax base, private sector job creation and
10374 private sector investment in the region;

10375 (b) Projects that demonstrate the maximum long-term
10376 economic benefits and long-term growth potential of the region
10377 based on a financial analysis such as a cost-benefit analysis or a
10378 return-on-investment analysis;

10379 (c) Projects that demonstrate long-term financial
10380 sustainability, including clear performance metrics, over the
10381 duration of the project;



10382 (d) Projects that leverage or encourage leveraging of
10383 other private sector, local, state and federal funding sources
10384 with preference to projects that can demonstrate contributions
10385 from other sources than funds from the BP settlement;

10386 (e) Projects that are supported by multiple government
10387 or private sector entities;

10388 (f) Projects that can move quickly and efficiently to
10389 the design, engineering, and permitting phase;

10390 (g) Projects that enhance the quality of life/place and
10391 business environment of the region, including tourism and
10392 recreational opportunities;

10393 (h) Projects that expand the region's ability to
10394 attract high-growth industries or establish new high-growth
10395 industries in the region;

10396 (i) Projects that leverage or further enhance key
10397 regional assets, including educational institutions, research
10398 facilities, ports, airports, rails and military bases;

10399 (j) Projects that are transformational for the future
10400 of the region but create a wider regional impact;

10401 (k) Projects that enhance the marketability of existing
10402 industrial properties;

10403 (l) Projects that enhance a targeted industry cluster
10404 or create a Center of Excellence unique to the region;

10405 (m) Infrastructure projects for business retention and
10406 development;



10407 (n) Projects that enhance research and innovative
10408 technologies in the region; and

10409 (o) Projects that provide outcome and return on
10410 investment measures, to be judged by clear performance metrics,
10411 over the duration of the project or program.

10412 (4) The MDA shall not approve any application for assistance
10413 or provide any assistance under this section for projects that are
10414 medical cannabis establishments as defined in the Mississippi
10415 Medical Cannabis Act or for projects related in any manner to
10416 medical cannabis establishments.

10417 **SECTION 97.** Section 65-4-5, Mississippi Code of 1972, is
10418 amended as follows:

10419 65-4-5. (1) The following words when used in this chapter
10420 shall have the meanings herein ascribed unless the context
10421 otherwise clearly requires:

10422 (a) "Board" means the Mississippi Development
10423 Authority;

10424 (b) "Department" means the Mississippi Department of
10425 Transportation;

10426 (c) "High economic benefit project" means:

10427 (i) Any new investment by a private company with
10428 capital investments in land, buildings, depreciable fixed assets
10429 and improvements of at least Seventy Million Dollars
10430 (\$70,000,000.00);



10431 (ii) Any new investment of at least Twenty Million
10432 Dollars (\$20,000,000.00) by a private company having capital
10433 investments in this state in land, buildings, depreciable fixed
10434 assets and improvements of at least One Billion Dollars
10435 (\$1,000,000,000.00) in the aggregate;

10436 (iii) Public investment of at least One Hundred
10437 Million Dollars (\$100,000,000.00) to take place over a specified
10438 period of time and in accordance with a master plan duly adopted
10439 by the controlling political subdivision;

10440 (iv) Any new investments in land, buildings,
10441 depreciable fixed assets and improvements by two (2) private
10442 companies upon land that is adjacent whenever the new investments
10443 of both companies are at least Sixty Million Dollars
10444 (\$60,000,000.00) in the aggregate, and such new investments by
10445 both private companies provide for the employment of at least five
10446 hundred (500) employees in the aggregate;

10447 (v) Any project which would benefit from the
10448 construction of any highway bypass which would aid in economic
10449 development and would provide an alternate route to avoid an
10450 existing route which underpasses a railroad and which would aid in
10451 existing or proposed industry;

10452 (vi) Any master planned community;

10453 (vii) Any new investments in land, buildings,
10454 depreciable fixed assets and improvements by not more than three
10455 (3) private companies physically located within a one-half-mile



10456 radius of each other whenever the new investments of such
10457 companies are at least Sixty Million Dollars (\$60,000,000.00) in
10458 the aggregate, and such new investments by such companies provide
10459 for the employment of at least three hundred (300) new employees
10460 in the aggregate;

10461 (viii) Any new investments in land, buildings,
10462 depreciable fixed assets and improvements by two (2) or more
10463 private companies upon lands originally adjacent, but now divided
10464 by a four-lane state highway and bordered by a two-lane state
10465 highway, and the new investments of the companies are at least
10466 Fifty Million Dollars (\$50,000,000.00) in the aggregate, and a
10467 portion of such new investment will be utilized for the
10468 construction of a hospital;

10469 (ix) [Repealed]

10470 (x) Any project as defined in Section
10471 57-75-5(f)(xxi); however, the term "high economic benefit project"
10472 does not include the construction of Mississippi Highway 348;

10473 (xi) Any project as defined in Section 17-25-17;

10474 (xii) Any project which would allow access to a
10475 national intermodal facility with a minimum capital investment of
10476 One Hundred Million Dollars (\$100,000,000.00) that is located
10477 within five (5) miles of the State of Mississippi and has direct
10478 access into an industrial park within the state;

10479 (xiii) Any new investments in land, buildings and
10480 depreciable fixed assets and improvements by a private company of



10481 at least One Hundred Million Dollars (\$100,000,000.00) over a
10482 specified period of time in accordance with a defined capital
10483 improvement project approved by the board;

10484 (xiv) Any new investments in land, buildings,
10485 depreciable fixed assets and improvements of at least Fifteen
10486 Million Dollars (\$15,000,000.00) by a private company to establish
10487 a private regional or national headquarters and such new
10488 investments provide for the employment of at least one hundred
10489 (100) new employees in the aggregate over a five-year period with
10490 those new employees earning an annual average salary, excluding
10491 benefits which are not subject to Mississippi income taxes, of at
10492 least one hundred fifty percent (150%) of the most recently
10493 published state average annual wage or the most recently published
10494 average annual wage of the county in which the qualified private
10495 regional or national headquarters is located, as determined by the
10496 Mississippi Department of Employment Security, whichever is less;

10497 However, if the initial investments that a private company
10498 made in order to meet the definition of a high economic benefit
10499 project under this paragraph (c)(i) and in order to be approved
10500 for such project exceeded Fifty Million Dollars (\$50,000,000.00),
10501 or if subsequent to being approved for the initial project the
10502 same company and/or one or more other private companies made
10503 additional capital investments exceeding Fifty Million Dollars
10504 (\$50,000,000.00) in aggregate value in land, buildings,
10505 depreciable fixed assets and improvements physically attached to



10506 or forming a part of the initially planned site development, then
10507 an amount equal to fifty percent (50%) of all such investments
10508 that exceeds Fifty Million Dollars (\$50,000,000.00) shall be
10509 subtracted from the Sixty Million Dollars (\$60,000,000.00) in
10510 aggregate value of new investments required under this paragraph
10511 (c)(vii).

10512 The term "high economic benefit project" does not include any
10513 medical cannabis establishment as defined in the Mississippi
10514 Medical Cannabis Act or any form of investment related thereto;

10515 (d) "Political subdivision" means one or more counties
10516 or incorporated municipalities in the state, or a state-owned port
10517 located in a county bordering on the Gulf of Mexico;

10518 (e) "Private company" means:

10519 (i) Any agricultural, aquacultural, maricultural,
10520 processing, distribution, warehousing, manufacturing,
10521 transportation, tourism or research and development enterprise;

10522 (ii) Any air transportation and maintenance
10523 facility, regional shopping mall, hospital, large hotel, resort or
10524 movie industry studio;

10525 (iii) The federal government with respect to any
10526 specific project which meets the criteria established in paragraph
10527 (c)(i) of this subsection;

10528 (iv) Any existing or proposed industry in regard
10529 to a project described in paragraph (c)(v) of this subsection;



10530 (v) A developer with respect to any specific
10531 project which meets the criteria established in paragraph (c) (vi)
10532 of this subsection; or

10533 (vi) A tourism project approved by the
10534 board * * *.

10535 The term "private company" does not include any medical
10536 cannabis establishment as defined in the Mississippi Medical
10537 Cannabis Act;

10538 (f) "Master planned community" shall have the same
10539 meaning as that term is defined in Section 19-5-10.

10540 (2) The Mississippi Department of Transportation is hereby
10541 authorized to purchase rights-of-way and construct and maintain
10542 roads and highways authorized to be constructed pursuant to this
10543 chapter.

10544 **SECTION 98.** Section 69-2-11, Mississippi Code of 1972, is
10545 amended as follows:

10546 69-2-11. Emerging crop designations shall include, but not
10547 be limited to:

10548 (a) Blueberries;

10549 (b) Muscadines;

10550 (c) Christmas trees;

10551 (d) Aquaculture, including any species from the Gulf of
10552 Mexico and its tributaries;

10553 (e) Horticulture;

10554 (f) Rabbit farming and processing; and



10555 (g) Others designated by the * * * Mississippi
10556 Development Authority or Legislature.

10557 Emerging crop designations shall not include medical cannabis
10558 establishments as defined in the Mississippi Medical Cannabis Act.

10559 **SECTION 99.** Section 69-2-13, Mississippi Code of 1972, is
10560 amended as follows:

10561 69-2-13. (1) There is hereby established in the State
10562 Treasury a fund to be known as the "Emerging Crops Fund," which
10563 shall be used to pay the interest on loans made to farmers for
10564 nonland capital costs of establishing production of emerging crops
10565 on land in Mississippi, and to make loans and grants which are
10566 authorized under this section to be made from the fund. The fund
10567 shall be administered by the Mississippi Development Authority. A
10568 board comprised of the directors of the authority, the Mississippi
10569 Cooperative Extension Service, the Mississippi Small Farm
10570 Development Center and the Mississippi Agricultural and Forestry
10571 Experiment Station, or their designees, shall develop definitions,
10572 guidelines and procedures for the implementation of this chapter.
10573 Funds for the Emerging Crops Fund shall be provided from the
10574 issuance of bonds or notes under Sections 69-2-19 through 69-2-37
10575 and from repayment of interest loans made from the fund.

10576 (2) (a) The Mississippi Development Authority shall develop
10577 a program which gives fair consideration to making loans for the
10578 processing and manufacturing of goods and services by
10579 agribusiness, greenhouse production horticulture, and small



10580 business concerns. It is the policy of the State of Mississippi
10581 that the Mississippi Development Authority shall give due
10582 recognition to and shall aid, counsel, assist and protect, insofar
10583 as is possible, the interests of agribusiness, greenhouse
10584 production horticulture, and small business concerns. To ensure
10585 that the purposes of this subsection are carried out, the
10586 Mississippi Development Authority shall loan not more than One
10587 Million Dollars (\$1,000,000.00) to finance any single
10588 agribusiness, greenhouse production horticulture, or small
10589 business concern. Loans made pursuant to this subsection shall be
10590 made in accordance with the criteria established in Section
10591 57-71-11.

10592 (b) The Mississippi Development Authority may, out of
10593 the total amount of bonds authorized to be issued under this
10594 chapter, make available funds to any planning and development
10595 district in accordance with the criteria established in Section
10596 57-71-11. Planning and development districts which receive monies
10597 pursuant to this provision shall use such monies to make loans to
10598 private companies for purposes consistent with this subsection.

10599 (c) The Mississippi Development Authority is hereby
10600 authorized to engage legal services, financial advisors,
10601 appraisers and consultants if needed to review and close loans
10602 made hereunder and to establish and assess reasonable fees,
10603 including, but not limited to, liquidation expenses.



10604 (d) The State Auditor may conduct performance and
10605 compliance audits under this chapter according to Section
10606 7-7-211(o) and may bill the oversight agency.

10607 (3) (a) The Mississippi Development Authority shall, in
10608 addition to the other programs described in this section, provide
10609 for the following programs of loans to be made to agribusiness or
10610 greenhouse production horticulture enterprises for the purpose of
10611 encouraging thereby the extension of conventional financing and
10612 the issuance of letters of credit to such agribusiness or
10613 greenhouse production horticulture enterprises by private
10614 institutions. Monies to make such loans by the Mississippi
10615 Development Authority shall be drawn from the Emerging Crops Fund.

10616 (b) The Mississippi Development Authority may make
10617 loans to agribusiness or greenhouse production horticulture
10618 enterprises. The amount of any loan to any single enterprise
10619 under this paragraph (b) shall not exceed twenty percent (20%) of
10620 the total cost of the project for which financing is sought or Two
10621 Hundred Fifty Thousand Dollars (\$250,000.00), whichever is less.
10622 No interest shall be charged on such loans, and only the amount
10623 actually loaned shall be required to be repaid. Repayments shall
10624 be deposited into the Emerging Crops Fund.

10625 (c) The Mississippi Development Authority also may make
10626 loans under this subsection (3) to existing agribusiness or
10627 greenhouse production horticulture enterprises for the purpose of
10628 assisting such enterprises to make upgrades, renovations, repairs



10629 and other improvements to their equipment, facilities and
10630 operations, which shall not exceed Two Hundred Fifty Thousand
10631 Dollars (\$250,000.00) or thirty percent (30%) of the total cost of
10632 the project for which financing is sought, whichever is less. No
10633 interest shall be charged on loans made under this paragraph, and
10634 only the amount actually loaned shall be required to be repaid.
10635 Repayments shall be deposited into the Emerging Crops Fund.

10636 (d) The maximum aggregate amount of loans that may be
10637 made under this subsection (3) to any one (1) agribusiness shall
10638 be not more than Five Hundred Thousand Dollars (\$500,000.00).

10639 (4) (a) Through June 30, 2010, the Mississippi Development
10640 Authority may loan or grant to qualified planning and development
10641 districts, and to small business investment corporations,
10642 bank-based community development corporations, the Recruitment and
10643 Training Program, Inc., the City of Jackson Business Development
10644 Loan Fund, the Lorman Southwest Mississippi Development
10645 Corporation, the West Jackson Community Development Corporation,
10646 the East Mississippi Development Corporation, and other entities
10647 meeting the criteria established by the Mississippi Development
10648 Authority (all referred to hereinafter as "qualified entities"),
10649 funds for the purpose of establishing loan revolving funds to
10650 assist in providing financing for minority economic development.
10651 The monies loaned or granted by the Mississippi Development
10652 Authority shall be drawn from the Emerging Crops Fund and shall
10653 not exceed Twenty-nine Million Dollars (\$29,000,000.00) in the



10654 aggregate. Planning and development districts or qualified
10655 entities which receive monies pursuant to this provision shall use
10656 such monies to make loans to minority business enterprises
10657 consistent with criteria established by the Mississippi
10658 Development Authority. Such criteria shall include, at a minimum,
10659 the following:

10660 (i) The business enterprise must be a private,
10661 for-profit enterprise.

10662 (ii) If the business enterprise is a
10663 proprietorship, the borrower must be a resident citizen of the
10664 State of Mississippi; if the business enterprise is a corporation
10665 or partnership, at least fifty percent (50%) of the owners must be
10666 resident citizens of the State of Mississippi.

10667 (iii) The borrower must have at least five percent
10668 (5%) equity interest in the business enterprise.

10669 (iv) The borrower must demonstrate ability to
10670 repay the loan.

10671 (v) The borrower must not be in default of any
10672 previous loan from the state or federal government.

10673 (vi) Loan proceeds may be used for financing all
10674 project costs associated with development or expansion of a new
10675 small business, including fixed assets, working capital, start-up
10676 costs, rental payments, interest expense during construction and
10677 professional fees related to the project.



10678 (vii) Loan proceeds shall not be used to pay off
10679 existing debt for loan consolidation purposes; to finance the
10680 acquisition, construction, improvement or operation of real
10681 property which is to be held primarily for sale or investment; to
10682 provide for, or free funds, for speculation in any kind of
10683 property; or as a loan to owners, partners or stockholders of the
10684 applicant which do not change ownership interest by the applicant.
10685 However, this does not apply to ordinary compensation for services
10686 rendered in the course of business.

10687 (viii) The maximum amount that may be loaned to
10688 any one (1) borrower shall be Two Hundred Fifty Thousand Dollars
10689 (\$250,000.00).

10690 (ix) The Mississippi Development Authority shall
10691 review each loan before it is made, and no loan shall be made to
10692 any borrower until the loan has been reviewed and approved by the
10693 Mississippi Development Authority.

10694 (b) For the purpose of this subsection, the term
10695 "minority business enterprise" means a socially and economically
10696 disadvantaged small business concern, organized for profit,
10697 performing a commercially useful function which is owned and
10698 controlled by one or more minorities or minority business
10699 enterprises certified by the Mississippi Development Authority, at
10700 least fifty percent (50%) of whom are resident citizens of the
10701 State of Mississippi. Except as otherwise provided, for purposes
10702 of this subsection, the term "socially and economically



10703 disadvantaged small business concern" shall have the meaning
10704 ascribed to such term under the Small Business Act (15 USCS,
10705 Section 637(a)), or women, and the term "owned and controlled"
10706 means a business in which one or more minorities or minority
10707 business enterprises certified by the Mississippi Development
10708 Authority own sixty percent (60%) or, in the case of a
10709 corporation, sixty percent (60%) of the voting stock, and control
10710 sixty percent (60%) of the management and daily business
10711 operations of the business. However, an individual whose personal
10712 net worth exceeds Five Hundred Thousand Dollars (\$500,000.00)
10713 shall not be considered to be an economically disadvantaged
10714 individual.

10715 From and after July 1, 2010, monies not loaned or granted by
10716 the Mississippi Development Authority to planning and development
10717 districts or qualified entities under this subsection, and monies
10718 not loaned by planning and development districts or qualified
10719 entities, shall be deposited to the credit of the sinking fund
10720 created and maintained in the State Treasury for the retirement of
10721 bonds issued under Section 69-2-19.

10722 (c) Notwithstanding any other provision of this
10723 subsection to the contrary, if federal funds are not available for
10724 commitments made by a planning and development district to provide
10725 assistance under any federal loan program administered by the
10726 planning and development district in coordination with the
10727 Appalachian Regional Commission or Economic Development



10728 Administration, or both, a planning and development district may
10729 use funds in its loan revolving fund, which have not been
10730 committed otherwise to provide assistance, for the purpose of
10731 providing temporary funding for such commitments. If a planning
10732 and development district uses uncommitted funds in its loan
10733 revolving fund to provide such temporary funding, the district
10734 shall use funds repaid to the district under the temporarily
10735 funded federal loan program to replenish the funds used to provide
10736 the temporary funding. Funds used by a planning and development
10737 district to provide temporary funding under this paragraph (c)
10738 must be repaid to the district's loan revolving fund no later than
10739 twelve (12) months after the date the district provides the
10740 temporary funding. A planning and development district may not
10741 use uncommitted funds in its loan revolving fund to provide
10742 temporary funding under this paragraph (c) on more than two (2)
10743 occasions during a calendar year. A planning and development
10744 district may provide temporary funding for multiple commitments on
10745 each such occasion. The maximum aggregate amount of uncommitted
10746 funds in a loan revolving fund that may be used for such purposes
10747 during a calendar year shall not exceed seventy percent (70%) of
10748 the uncommitted funds in the loan revolving fund on the date the
10749 district first provides temporary funding during the calendar
10750 year.

10751 (d) If the Mississippi Development Authority determines
10752 that a planning and development district or qualified entity has



10753 provided loans to minority businesses in a manner inconsistent
10754 with the provisions of this subsection, then the amount of such
10755 loans so provided shall be withheld by the Mississippi Development
10756 Authority from any additional grant funds to which the planning
10757 and development district or qualified entity becomes entitled
10758 under this subsection. If the Mississippi Development Authority
10759 determines, after notifying such planning and development district
10760 or qualified entity twice in writing and providing such planning
10761 and development district or qualified entity a reasonable
10762 opportunity to comply, that a planning and development district or
10763 qualified entity has consistently failed to comply with this
10764 subsection, the Mississippi Development Authority may declare such
10765 planning and development district or qualified entity in default
10766 under this subsection and, upon receipt of notice thereof from the
10767 Mississippi Development Authority, such planning and development
10768 district or qualified entity shall immediately cease providing
10769 loans under this subsection, shall refund to the Mississippi
10770 Development Authority for distribution to other planning and
10771 development districts or qualified entities all funds held in its
10772 revolving loan fund and, if required by the Mississippi
10773 Development Authority, shall convey to the Mississippi Development
10774 Authority all administrative and management control of loans
10775 provided by it under this subsection.

10776 (e) If the Mississippi Development Authority
10777 determines, after notifying a planning and development district or



10778 qualified entity twice in writing and providing copies of such
10779 notification to each member of the Legislature in whose district
10780 or in a part of whose district such planning and development
10781 district or qualified entity is located and providing such
10782 planning and development district or qualified entity a reasonable
10783 opportunity to take corrective action, that a planning and
10784 development district or qualified entity administering a revolving
10785 loan fund under the provisions of this subsection is not actively
10786 engaged in lending as defined by the rules and regulations of the
10787 Mississippi Development Authority, the Mississippi Development
10788 Authority may declare such planning and development district or
10789 qualified entity in default under this subsection and, upon
10790 receipt of notice thereof from the Mississippi Development
10791 Authority, such planning and development district or qualified
10792 entity shall immediately cease providing loans under this
10793 subsection, shall refund to the Mississippi Development Authority
10794 for distribution to other planning and development districts or
10795 qualified entities all funds held in its revolving loan fund and,
10796 if required by the Mississippi Development Authority, shall convey
10797 to the Mississippi Development Authority all administrative and
10798 management control of loans provided by it under this subsection.

10799 (5) The Mississippi Development Authority shall develop a
10800 program which will assist minority business enterprises by
10801 guaranteeing bid, performance and payment bonds which such
10802 minority businesses are required to obtain in order to contract



10803 with federal agencies, state agencies or political subdivisions of
10804 the state. The Mississippi Development Authority may secure
10805 letters of credit, as determined necessary by the authority, to
10806 guarantee bid, performance and payment bonds pursuant to this
10807 subsection. Monies for such program shall be drawn from the
10808 monies allocated under subsection (4) of this section to assist
10809 the financing of minority economic development and shall not
10810 exceed Three Million Dollars (\$3,000,000.00) in the aggregate.
10811 The Mississippi Development Authority may promulgate rules and
10812 regulations for the operation of the program established pursuant
10813 to this subsection. For the purpose of this subsection (5), the
10814 term "minority business enterprise" has the meaning assigned such
10815 term in subsection (4) of this section.

10816 (6) The Mississippi Development Authority may loan or grant
10817 to public entities and to nonprofit corporations funds to defray
10818 the expense of financing (or to match any funds available from
10819 other public or private sources for the expense of financing)
10820 projects in this state which are devoted to the study, teaching
10821 and/or promotion of regional crafts and which are deemed by the
10822 authority to be significant tourist attractions. The monies
10823 loaned or granted shall be drawn from the Emerging Crops Fund and
10824 shall not exceed Two Hundred Fifty Thousand Dollars (\$250,000.00)
10825 in the aggregate.

10826 (7) Through June 30, 2006, the Mississippi Development
10827 Authority shall make available to the Mississippi Department of



10828 Agriculture and Commerce funds for the purpose of establishing
10829 loan revolving funds and other methods of financing for
10830 agribusiness programs administered under the Mississippi
10831 Agribusiness Council Act of 1993. The monies made available by
10832 the Mississippi Development Authority shall be drawn from the
10833 Emerging Crops Fund and shall not exceed One Million Two Hundred
10834 Thousand Dollars (\$1,200,000.00) in the aggregate. The
10835 Mississippi Department of Agriculture and Commerce shall establish
10836 control and auditing procedures for use of these funds. These
10837 funds will be used primarily for quick payment to farmers for
10838 vegetable and fruit crops processed and sold through vegetable
10839 processing plants associated with the Department of Agriculture
10840 and Commerce and the Mississippi State Extension Service.

10841 (8) From and after July 1, 1996, the Mississippi Development
10842 Authority shall make available to the Mississippi Small Farm
10843 Development Center One Million Dollars (\$1,000,000.00) to be used
10844 by the center to assist small entrepreneurs as provided in Section
10845 37-101-25, Mississippi Code of 1972. The monies made available by
10846 the Mississippi Development Authority shall be drawn from the
10847 Emerging Crops Fund.

10848 (9) [Repealed]

10849 (10) The Mississippi Development Authority shall make
10850 available to the Small Farm Development Center at Alcorn State
10851 University funds in an aggregate amount not to exceed Three
10852 Hundred Thousand Dollars (\$300,000.00), to be drawn from the cash



10853 balance of the Emerging Crops Fund. The Small Farm Development
10854 Center at Alcorn State University shall use such funds to make
10855 loans to producers of sweet potatoes and cooperatives anywhere in
10856 the State of Mississippi owned by sweet potato producers to assist
10857 in the planting of sweet potatoes and the purchase of sweet potato
10858 production and harvesting equipment. A report of the loans made
10859 under this subsection shall be furnished by January 15 of each
10860 year to the Chairman of the Senate Agriculture Committee and the
10861 Chairman of the House Agriculture Committee.

10862 (11) The Mississippi Development Authority shall make
10863 available to the Mississippi Department of Agriculture and
10864 Commerce "Make Mine Mississippi" program an amount not to exceed
10865 One Hundred Fifty Thousand Dollars (\$150,000.00) to be drawn from
10866 the cash balance of the Emerging Crops Fund.

10867 (12) The Mississippi Development Authority shall make
10868 available to the Mississippi Department of Agriculture and
10869 Commerce an amount not to exceed One Hundred Fifty Thousand
10870 Dollars (\$150,000.00) to be drawn from the cash balance of the
10871 Emerging Crops Fund to be used for the rehabilitation and
10872 maintenance of the Mississippi Farmers Central Market in Jackson,
10873 Mississippi.

10874 (13) The Mississippi Development Authority shall make
10875 available to the Mississippi Department of Agriculture and
10876 Commerce an amount not to exceed Twenty-five Thousand Dollars
10877 (\$25,000.00) to be drawn from the cash balance of the Emerging



10878 Crops Fund to be used for advertising purposes related to the
10879 Mississippi Farmers Central Market in Jackson, Mississippi.

10880 (14) (a) The Mississippi Development Authority shall, in
10881 addition to the other programs described in this section, provide
10882 for a program of loan guaranties to be made on behalf of any
10883 nonprofit entity qualified under Section 501(c)(3) of the Internal
10884 Revenue Code and certified by the United States Department of the
10885 Treasury as a community development financial institution for the
10886 purpose of encouraging the extension of financing to such an
10887 entity which financing the entity will use to make funds available
10888 to other entities for the purpose of making loans available in
10889 low-income communities in Mississippi. Monies to make such loan
10890 guaranties by the Mississippi Development Authority shall be drawn
10891 from the Emerging Crops Fund and shall not exceed Two Million
10892 Dollars (\$2,000,000.00) in the aggregate. The amount of a loan
10893 guaranty on behalf of such an entity under this subsection (14)
10894 shall not exceed Two Million Dollars (\$2,000,000.00). Assistance
10895 received by an entity under this subsection (14) shall not
10896 disqualify the entity from obtaining any other assistance under
10897 this chapter.

10898 (b) An entity desiring assistance under this subsection
10899 (14) must submit an application to the Mississippi Development
10900 Authority. The application must include any information required
10901 by the Mississippi Development Authority.



10902 (c) The Mississippi Development Authority shall have
10903 all powers necessary to implement and administer the program
10904 established under this subsection (14), and the Mississippi
10905 Development Authority shall promulgate rules and regulations, in
10906 accordance with the Mississippi Administrative Procedures Law,
10907 necessary for the implementation of this subsection (14).

10908 (15) (a) The Mississippi Development Authority shall, in
10909 addition to the other programs described in this section, provide
10910 for a program of grants to agribusiness enterprises that process,
10911 dry, store or ship peanuts and if the enterprise has invested
10912 prior to April 17, 2009, a minimum of Six Million Dollars
10913 (\$6,000,000.00) in land, facilities and equipment in this state
10914 that are utilized to process, dry, store or ship peanuts. Monies
10915 to make such grants by the Mississippi Development Authority shall
10916 be drawn from the Emerging Crops Fund and shall not exceed One
10917 Million Dollars (\$1,000,000.00) in the aggregate. The amount of a
10918 grant under this subsection (15) shall not exceed One Million
10919 Dollars (\$1,000,000.00).

10920 (b) An entity desiring assistance under this subsection
10921 (15) must submit an application to the Mississippi Development
10922 Authority. The application must include a description of the
10923 project for which assistance is requested, the cost of the project
10924 for which assistance is requested, the amount of assistance
10925 requested and any other information required by the Mississippi
10926 Development Authority.



10927 (c) As a condition of the receipt of a grant under this
10928 subsection (15), an entity must agree to remain in business in
10929 this state for not less than five (5) years and must meet other
10930 conditions established by the Mississippi Development Authority to
10931 ensure that the assistance results in an economic benefit to the
10932 state. The Mississippi Development Authority shall require that
10933 binding commitments be entered into requiring that:

10934 (i) The minimum requirements provided for in this
10935 subsection (15) and the conditions established by the Mississippi
10936 Development Authority are met; and

10937 (ii) If such commitments and conditions are not
10938 met, all or a portion of the funds provided pursuant to this
10939 subsection (15) shall be repaid.

10940 (d) The Mississippi Development Authority shall have
10941 all powers necessary to implement and administer the program
10942 established under this subsection (15), and the Mississippi
10943 Development Authority shall promulgate rules and regulations, in
10944 accordance with the Mississippi Administrative Procedures Law,
10945 necessary for the implementation of this subsection (15).

10946 (16) (a) The Mississippi Development Authority, in addition
10947 to the other programs described in this section, shall provide for
10948 a program of loan guaranties to be made on behalf of certain
10949 agribusinesses engaged in sweet potato growing and farming for the
10950 purpose of encouraging thereby the extension of conventional
10951 financing and the issuance of letters of credit to such



10952 agribusinesses by lenders. The amount of a loan guaranty made on
10953 behalf of such an agribusiness shall be ninety percent (90%) of
10954 the amount of assistance made available by a lender for the
10955 purposes authorized under this subsection (16). Monies to make
10956 such loan guaranties by the Mississippi Development Authority
10957 shall be drawn from the Emerging Crops Fund and shall not exceed
10958 Seventeen Million Dollars (\$17,000,000.00) in the aggregate.

10959 (b) In order to be eligible for assistance under this
10960 subsection (16) an agribusiness must:

10961 (i) Have been actively engaged in sweet potato
10962 growing and farming in this state before January 1, 2010;

10963 (ii) Have incurred a disaster-related loss for
10964 sweet potato growing and farming purposes for calendar year 2009,
10965 as determined by a lender;

10966 (iii) Agree to obtain and maintain federal
10967 Noninsured Agricultural Program (NAP) insurance coverage for the
10968 outstanding balance of any assistance received under this
10969 subsection (16); and

10970 (iv) Satisfy underwriting criteria established by
10971 a lender related to loans under this subsection (16).

10972 (c) (i) An entity desiring assistance under this
10973 subsection must submit an application for assistance to a lender
10974 not later than August 1, 2010. The application must include:



10975 1. Information verifying the length of time
10976 the applicant has been actively engaged in sweet potato growing
10977 and farming in this state;

10978 2. Information regarding the number of acres
10979 used by the applicant for sweet potato growing and farming
10980 purposes during the 2009 calendar year, as certified to by the
10981 Farm Services Authority (FSA) or the Mississippi Department of
10982 Agriculture and Commerce (MDAC), and the number of acres the
10983 applicant intends to use for such purposes during the 2010
10984 calendar year;

10985 3. The average cost per acre incurred by the
10986 applicant for sweet potato growing and farming purposes during the
10987 2009 calendar year, as certified to by the FSA or MDAC, and an
10988 estimate of the average cost per acre to be incurred by the
10989 applicant for such purposes during the calendar year for which
10990 application is made;

10991 4. The amount of assistance requested;

10992 5. A statement from the applicant agreeing
10993 that he will obtain and maintain NAP insurance coverage for the
10994 outstanding balance of any assistance received under this
10995 subsection (16); and

10996 6. Any other information required by the
10997 lender and/or the MDA.

10998 (ii) The lender shall review the application for
10999 assistance and determine whether the applicant qualifies for



11000 assistance under this subsection (16). If the lender determines
11001 that the applicant qualifies for assistance, the lender shall loan
11002 funds to the applicant subject to the provisions of this
11003 subsection (16).

11004 (d) Loans made under this subsection (16) shall be
11005 subject to the following conditions:

11006 (i) The maximum amount of a loan to a borrower
11007 shall not exceed One Thousand Seven Hundred Dollars (\$1,700.00)
11008 per acre and shall exclude any machinery and equipment costs.

11009 (ii) The proceeds of a loan may be used only for
11010 paying a borrower's sweet potato planting, production and
11011 harvesting costs, excluding machinery and equipment costs.

11012 (iii) The proceeds of a loan may not be used to
11013 repay, satisfy or finance existing debt.

11014 (iv) The time allowed for repayment of a loan
11015 shall not be more than five (5) years, and there shall be no
11016 penalty, fee or other charge imposed for the prepayment of a loan.

11017 (e) The receipt of assistance by a person or other
11018 entity under any other program described in this section shall not
11019 disqualify the person or entity from obtaining a loan under the
11020 program established in this subsection (16) if the person or
11021 entity is otherwise eligible under this program. In addition, the
11022 receipt of a loan by a person or other entity under the program
11023 established under this subsection (16) shall not disqualify the



11024 person or entity from obtaining assistance under any other program
11025 described in this section.

11026 (f) The Mississippi Development Authority shall have
11027 all powers necessary to implement and administer the program
11028 established under this subsection (16), and the Mississippi
11029 Development Authority shall promulgate rules and regulations, in
11030 accordance with the Mississippi Administrative Procedures Law,
11031 necessary for the implementation of this subsection (16).

11032 (17) Notwithstanding any other provision of this section to
11033 the contrary, the Mississippi Development Authority shall not
11034 provide loans, loan guaranties, grants or any other form of
11035 assistance to medical cannabis establishments as defined in the
11036 Mississippi Medical Cannabis Act.

11037 **SECTION 100.** This act shall take effect and be in force from
11038 and after its passage.

